FBIS DAILY REPORT

CONTENTS

Latin America

Vol VI No 111 *8 June 1978*

ARGENTINA

Lambruschini Will Replace Massera in September	B 1	1/A6
Second Round of Beagle Talks Will Begin 12 June	B 1	1/A6
Official Describes Journalists' Responsibilities	B 1	1/A6
Martinez de Hoz Discusses PRC, Mexico Conferences	B 1	1/A6
Central Bank Director Discusses Visit to PRC	B 2	1/A7
LA NACION Criticizes Brazil on Tripartite Cancellation [2 Jun]	B 3	1/A8
Treatment of Workers at Renault Plant Denounced	B 3	1/A8
Eight of 22 Missing Frenchmen in Jail, Says Anchorena	B 4	1/A9
Montonero Prisoner Denies Having Been Tortured [LA OPINION 5 Jun]	B 4	1/A9

BOLIVIA

48-Hour Protest Strike Closes Cochabamba	C 1	1/A10
Dismissed La Paz Teachers Begin Hunger Strike	C 1	1/A10
Ruben Sanchez Announced as ALIN Presidential Candidate	C 1	1/A10
Government Accused of Blocking Union Elections	C 1	1/A10

BRAZIL

First Nuclear Shipment To Arrive From U.S. in September [JORNAL DO BRASIL 6 Jun]	D 1	1/A11
Renegotiation of U.S. Nuclear Agreement Rejected [O ESTADO DE SAO PAULO 7 Jun]	D 1	1/A11
Polish, Brazilian Officials Discuss Disarmament, Trade Pacts [O GLOBO 7 Jun]	D 2	1/A12
JORNAL Welcomes New NATO Position on USSR Expansionism [5 Jun]	D 2	1/A12
Uruguayan Minister Defends Economic Agreement With U.S. [JORNAL DO BRASIL 6 Jun]	D 4	1/A14
Itamaraty Sees Perez Amazon Pact Remarks as 'Optimistic' [O GLOBO 6 Jun]	D 5	1/B1
Argentine 'Radicals' Blamed for Parana Talks Failure [JORNAL DO BRASIL 4 Jun]	D 6	1/B2
Government Willing To Extradite Wagner 'as Soon as Possible'	D 7	1/B3
Minister Decries Critics of Agriculture Policy	D 7	1/B3
Figueiredo Will Respect Maluf Nomination	D 7	1/B3
Egydio Martins Wants No Compromise With Maluf [JORNAL DO BRASIL 6 Jun]	D 8	1/B4
Human Rights Group Denounces Violations in Argentina	D 8	1/B4
Briefs: New ELETROBRAS President; Agreements Approved; Travel Requirements; Credit for Itaipu Line; Ericsson Gets Telephone Contract; Frost Hits Crops; Oil Imports Cost High; Loss Caused by Drought; Portuguese Trade Mission; Minister to Japan; ILO Delegation; New Education Secretary; Drug Agreement With Venezuela	D 8	1/B4

CHILE

Hunger Strike Ends With Promise of Report on Missing E 1 1/B6
Arrested Demonstrators Freed E 1 2/B6

PARAGUAY

Authentic PLR Attacks Government Stand on Laino H 1 1/B7
[ULTIMA HORA 5 Jun]

PERU

War Minister Molina Pallochia Addresses Loyalty Ceremony J 1 1/B10
Interior Ministry Issues Communique on Teachers Strike J 2 1/B11
Soviet-Peruvian Trade To Reach $50 Million This Year J 3 1/B12
Minister Arbulu Ibanez Finds Markets Well Stocked J 3 1/B12
Briefs: SIDERPERU General Manager Resigns J 3 1/B12

VENEZUELA

President Perez To Attend Panama Treaty Ceremony L 1 1/B13
Perez Comments on Colombian Presidential Elections L 1 1/B13
Portuguese President Eanes Address to Congress L 1 1/B13
[cross-reference]
Defense Minister Discusses Purchase of Italian Frigates L 1 1/B13
Briefs: Oil Production Increase L 1 1/B13

PANAMA

Torrijos Lauds Carter, Views Antizonian Sentiment N 1 1/B14
Arnulfo Arias' Return on 10 June Confirmed N 1 1/B14
[STAR AND HERALD 6 Jun]
LA ESTRELLA Hints of Possible Disorders With Arias' Return [7 Jun] N 1 1/B14
Panamenista Party Denies Plans To Disrupt Public Order N 2 1/C1
Velazquez Cautions Nation on Arias' Return N 3 1/C2
Unions Condemn CADE-78's Stand on Labor Code N 3 1/C2
Supreme Court Rejects Writ Challenging Elections N 4 1/C3
Colon Students Burn Education Ministry Vehicle N 4 1/C3
Briefs: Revenue Collection Report; Hydroelectric Project Contract Awarded N 5 1/C4

CENTRAL AMERICA

BELIZE

Talks To Open in New York; UK Gathers Facts P 1 1/C5
[REPORTER 4 Jun]

COSTA RICA

Security Intensified in Penas Blancas Border Region P 1 1/C5

GUATEMALA

Molina Sees Danger of Cuban Intervention in Belize P 2 1/C6
Protests Over Panzos Killings Continue P 2 1/C6
Nun's Arrest Protested P 2 1/C6

NICARAGUA

New Student Demonstrations in Carazo Department	T 3	1/C7
Student Demonstrations Spread; Sandinist Seeks Refuge	T 3	1/C7
President Somoza Interviewed on Domestic Situation	P 3	1/C7
Liberal Party Nominates Presidential Candidate	P 4	1/C8

CUBA

Cuba Establishes Diplomatic Relations With Lesotho	Q 1	1/C9
No Comment on Lesotho Denial	Q 1	1/C9
Official, Mozambique Minister Discuss Cooperation	Q 1	1/C9
Fidel, Do Nascimento Visit Cement Plant 6 June	Q 1	1/C9
Commentator Scores Chinese Leaders' Foreign Policy	Q 2	1/C10
Mexican Political Delegation Meets With Pineiro	Q 3	1/C11
Raul Castro Visits Military Enterprises	Q 3	1/C11
Almeida, Valdes Preside Over Construction Meeting	Q 4	1/C12
Perez Herrero Chairs 26 July Activities Meeting	Q 4	1/C12
National People's Government Assembly To Begin in June	Q 5	1/C13
Workers To Discuss Draft Thesis of CTC Congress	Q 5	1/C13
Status Report on Current Sugar Harvest	Q 5	1/C13
Granma Harvest Meeting	Q 5	1/C13
Student Organizations Condemn Neutron Bomb Production	Q 6	1/C14

DOMINICAN REPUBLIC

PRD Warns Government Not To Hamper Transfer of Power	R 1	1/D1
Central Electoral Board Suspends Its President	R 1	1/D1

CARIBBEAN

JAMAICA

Bank of Jamaica Reassures Business Community of Solvency [DAILY GLEANER 3 Jun]	S 1	1/D2
Venezuelan Loans to Nation Amount to $70 Million [SUNDAY GLEANER 4 Jun]	S 1	1/D2
Minister Patterson Meets With Zimbabwe Representative [DAILY GLEANER 5 Jun]	S 1	1/D2

GUYANA

Burnham Gets More PNC Support for Constitutional Bill [Port-of-Spain TRINIDAD GUARDIAN 30 May]	T 1	1/D3
Burnham Hints at CARICOM Summit Fairly Soon [GUYANA CHRONICLE 2 Jun]	T 1	1/D3

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LAMBRUSCHINI WILL REPLACE MASSERA IN SEPTEMBER

PY071702Y Buenos Aires TELAM in Spanish 1332 GMT 7 Jun 78 PY

[Excerpt] Buenos Aires, 7 Jun--Vice Adm Armando Lambruschini, chief of the naval staff, said that he will take over as commander in chief of the navy in September, replacing Adm Emilio Massera, who will reture. Vice Admiral Lambruschini made this statement to the morning newspaper LA NACION and indicated that the exact date he will assume his new position will be decided by Admiral Massera. Lambruschini added: I am already carrying out many responsibilities of the position, since it is known that Admiral Massera passed on to me a number of his responsibilities about a year ago, more or less.

SECOND ROUND OF BEAGLE TALKS WILL BEGIN 12 JUNE

PY071738Y Buenos Aires Domestic Service in Spanish 1600 GMT 7 Jun 78 PY

[Text] The Argentine delegation for [Beagle] joint commission No 2 will leave for Santiago, Chile, next weekend. Together with a similar Chilean delegation, the members will participate in the meetings for the demarcation of sovereignty at the southern end of the two countries. The second round of meetings will be held at the Argentine Embassy in Santiago beginning Monday, 12 June.

The Argentine delegation is headed by Brig Gen Ricardo Etcheverry Boneo (ret) and is made up of officials from the Interior, Economy, Defense and Foreign ministries.

OFFICIAL DESCRIBES JOURNALISTS' RESPONSIBILITIES

PY061527Y Buenos Aires TELAM in Spanish 0030 GMT 6 Jun 78 PY

[Excerpts of speech by Public Information Secretary Oscar Ruben Franco on Journalists Day celebration in Buenos Aires 5 June 1978]

[Excerpts] As I have just reported, the executive branch annulled Decrees Nos 587/73 and 1,273/75, in the full belief that, despite the distortions a journalist acting under full freedom may produce, we must accept the challenge, since we are sure of triumph simply because reason is on our side. No extremism or totalitarianism accepts or tolerates freedom of the press--this is clear evidence that we are on the right road. It is now your responsibility, rather than the government's, to guard the precious gift of freedom of expression. Criticize--do not ever stop criticizing--but do so objectively, pointing out the other roads which you believe must be followed to achieve the great national objectives. Any important task calls for constructive and nondisruptive criticism. The annulment of these decrees is a clear example of the confidence which the government of the armed forces places in Argentine journalists and foreign correspondents who work in our country, feeling sure that it will not be deceived.

MARTINEZ DE HOZ DISCUSSES PRC, MEXICO CONFERENCES

PY061742Y Buenos Aires Domestic Service in Spanish 1830 GMT 6 Jun 78 PY

[Excerpt] We have opened a new stage in international economic relations, stated Economy Minister Jose Alfredo Martinez de Hoz yesterday upon returning to Argentina after a 16-day tour which included Mexico, the United States, the PRC and Hong Kong.

The minister emphasized the importance of his tour to the PRC by stating that there are favorable prospects for increasing trade between Argentina and the PRC. He explained that they were welcomed by PRC officials with great interest, since the PRC is engaged in an open economic policy abroad in order to overcome backwardness resulting from its closed economy.

Martinez de Hoz indicated that negotiations were carried out with complete respect for each country's sovereignty and political organizations and that a clear division was made between politics, economy and trade.

Martinez de Hoz then indicated that they signed notes implementing the trade agreement signed between Argentina and the PRC in February 1977. He added: We also signed a maritime transport agreement which provides for 50 percent of the transportation to be provided by each country. Regarding cereal export to the PRC, he stated that the agreement provides for the sale of 1 million tons of wheat and corn annually for 3 years and a minimum of 25,000 tons of cotton.

The Argentine economy minister held a 1-hour meeting with PRC Vice Premier Teng Hsiao-ping, main supporter of the PRC opening toward the world, at the government headquarters. Regarding this meeting, Martinez de Hoz stated that the PRC vice premier was surprised and astonished by Argentine development during the last 2 years.

Regarding his stay in Mexico, where he attended a meeting of more than 300 presidents of the most important banks of the world, he indicated that the Argentine economy was praised concerning its favorable balance of payments and its foreign currency reserves. He warned, however, that the concern is regarding continuity of this policy so that continued good results are assured. Asked whether during his meeting with U.S. Treasury Secretary Michael Blumenthal they had discussed the current problem with Eximbank, regarding the granting of a loan for the Yacyreta-Apipe project, the minister answered: I discussed the issue and I expressed our concerns.

Martinez de Hoz arrived yesterday at 1540 at Ezeiza airport, accompanied by officials and representatives of the private sector who went with him.

CENTRAL BANK DIRECTOR DISCUSSES VISIT TO PRC

PY070342Y Buenos Aires TELAM in Spanish 2250 GMT 6 Jun 78 PY

[Excerpt] Buenos Aires, 6 Jun--Central Bank Director Francisco Soldati has stated that the Argentine Government has opened the doors to all sectors which are interested in maintaining economic--either trade or industrial--relations with the PRC.

Soldati, who was a member of the economic mission headed by Economy Minister Jose Martinez de Hoz which visited the PRC, made this statement today on returning to the country. He added that through the trade secretariat all sectors will be able to send delegations or missions to see how they can do business with that country.

He said that such sectors as agriculture and livestock and some industrial sectors are already organizing missions to firm up agreements signed during the trip by government representatives. He added: Beyond the results in sales of agricultural products and livestock, the negotiations are of essential importance to our country because the PRC has become aware of its great backwardness in comparison to other countries and is ready to move without wasting any time, experimenting with new technological techniques in the various economic sectors.

He said: China is ready to gain time and to acquire from the most developed countries the necessary experience or technology to recover all those years lost since 1949.

LA NACION CRITICIZES BRAZIL ON TRIPARTITE CANCELLATION

PY060332Y Buenos Aires LA NACION in Spanish 2 Jun 78 p 8 PY

[Editorial: "In View of Brazil's Attitude"]

[Excerpts] "The Argentine Government can only express its surprise and bewilderment at the unilateral decision to cancel an already arranged tripartite meeting without prior consultation or proposal."

This Foreign Ministry statement followed Brazil's suspension of the tripartite foreign ministers meeting to reach a solution to the Argentine-Paraguayan Corpus and Brazilian-Paraguayan Itaipu projects on the Alto Parana.

After controversy during the bilateral meetings and in many multilateral meetings--of the River Plate Basin, the OAS and the United Nations--regarding principles on use of shared natural resources advocated by Argentina and systematically denied by Brazil, in the middle of last year a consensus seemed to exist which led to a cycle of conversations and tripartite negotiations at a series of technical, diplomatic and political meetings in Asuncion between September of last year and this April.

Brazil came to the conclusion that these meetings "had exhausted study of this matter," according to the communique released by Itamaraty the night before last.

It is more likely that what has changed at this stage is the Brazilian attitude itself. During the last meeting in Asuncion, Brazil was the first to submit what were practically final proposals. And contrary to what was said about our country, to use the same words as the Brazilian communique, these proposals were "knowingly never accepted" by Argentina.

In the face of [Brazilian] urging for an eventual agreement, it was stated that it would ultimately be easier to reach an agreement on the proposal presented extemporaneously within the context of the Asuncion talks, by discussing its specific points--which could be reconciled through persistent negotiations. Brazil undoubtedly believed then, although it has only said so now, that study of htis matter had been exhausted and that therefore a meeting held immediately in Brasilia could only sign an agreement which was practically dictated [by Brazil]. In the end, Itamaraty, thwarted in achieving its goals, lacked the integrity to take responsibility for the meeting. Therefore it can be assumed--among many reasons--that Brazil needed to delay the meeting in order to more clearly define what is most advantageous in this agreement.

TREATMENT OF WORKERS AT RENAULT PLANT DENOUNCED

PY051619Y Paris AFP in Spanish 1320 GMT 5 Jun 78 PY

[Text] Paris, 5 Jun--Two French labor leaders denounced before the press the detention and disappearance of 23 Argentine workers at the Renault plant in Cordoba, Argentina.

They also said that since the October 1977 strike, 140 discharged workers have not been rehired and five executives of the enterprise have been murdered.

In Cordoba, where there are 6,000 salaried workers, salaries are very low, three times lower than Renault salaries in France, and there is absolutely no freedom for meetings, disclosed Roger Sylvain, CGT [General Labor Confederation] secretary of the Renault-France enterprise committee.

Both Sylvain and Alain Stern, in charge of the CGT unions of Renault-France, denounced the many obstacles and pressures to which they were subject during their stay in Argentina, including, they said, "the permanent military control." We were escorted by at least two persons, sometimes by eight, and we were photographed and filmed at every step, they said.

EIGHT OF 22 MISSING FRENCHMEN IN JAIL, SAYS ANCHORENA

PY0701015 Paris AFP in Spanish 1922 GMT 6 Jun 78 PY

[Text] Paris, 6 Jun--Argentine ambassador to Paris Tomas de Anchorena told a radio station here today that 8 of the 22 Frenchmen missing in Argentina are in prison and that 9 are missing. Anchorena did not give any indication about the whereabouts of the other five people on the list. He said that eight persons from that list were sentenced by Argentine courts, but that only two are French. The other six have what the French call dual nationality, but for us they are Argentines. Among the nine persons acknowledged as missing by the ambassador are six Frenchmen, a Moroccan, a Chilean and an Argentine. But the question of nationality is not important. The drama is in the fact that they have disappeared. Anchorena added that the Argentine Government is doing everything possible to find some trace of these people and to report this to their relatives and the French Government.

MONTONERO PRISONER DENIES HAVING BEEN TORTURED

PY0618145 Buenos Aires LA OPINION in Spanish 5 Jun 78 p 1 PY

[Text] According to an AFP report from Bonn, an extremist named Pablo Zurio, member of the subversive Montonero gang, told a special correspondent of the West German newspaper BILD AM SONNTAG of the Springer chain that "he had never been tortured" by government officials.

According to the report published by the German correspondent, the interview was held at the "ninth unity" in Mar del Plata. During the interview the extremist spoke about the living conditions of other inmates. "There are two inmates per cell. We have a stove to make our coffee and each subversive prisoner has a right to meet with members of his family 2 hours per week. The meeting takes place in a hall which has no partition separating the inmate and the visitors. During the visit the children play on the floor," according to one of the remarks of Zurio.

The German correspondent also says in his article that the prison has 25 doctors and dentists, as well as a gymnasium, a library, a laboratory and a chapel.

The extremist, who said that he knew the other 880 inmates in Mar del Plata prison, added that none of them had been tortured, "despite certain rumors."

48-HOUR PROTEST STRIKE CLOSES COCHABAMBA

PY080149Y La Paz Radio Cruz del Sur Network in Spanish 2330 GMT 7 Jun 78 PY

[Text] Industry in Cochabamba was virtually paralyzed today by a 48-hour strike ordered by the factory workers federation to protest an attack on union leader Lucio Flores. All Cochabamba industrial plants, which are members of the Cochabamba factory workers federation, observed the strike, which was ordered by the top local union. Lucio Flores, present executive secretary of the factory workers union, was attacked last Saturday by two unknown persons. He is hospitalized and in serious condition. The attack was also condemned by the oilworkers, who decided to declare a state of emergency and asked police to investigate the regrettable incident. Cochabamba teachers and bank workers also condemned the attack on Lucio Flores.

DISMISSED LA PAZ TEACHERS BEGIN HUNGER STRIKE

PY071526Y La Paz Radio Panamericana in Spanish 1130 GMT 7 Jun 78 PY

[Text] A group of La Paz teachers began an indefinite hunger strike until the Education Ministry reinstates them to their former posts. The fast is being held at the teachers' social club. Those participating in it were dismissed from their posts during the last few years for political reasons and trade union activities. They demand to be reinstated to their posts. Spokesmen for the teachers federation have stated that the strike will continue until all dismissed teachers are reinstated to their former posts with their corresponding salaries.

RUBEN SANCHEZ ANNOUNCES AS ALIN PRESIDENTIAL CANDIDATE

PY071418Y La Paz Radio Fides in Spanish 1130 GMT 7 Jun 78 PY

[Excerpts] The National Leftist Alliance [ALIN], a political party founded by former Bolivian President Juan Jose Torres Gonzales during his exile in Buenos Aires, has announced that it has decided to nominate Army Maj Ruben Sanchez Valdivia (ret) as presidential candidate. He is the fourth officer to have been nominated as a presidential candidate. The other three are Gen Juan Pereda, Col Jose Patino and Gen Rene Bernal.

GOVERNMENT ACCUSED OF BLOCKING UNION ELECTIONS

PY070234Y La Paz Radio Cruz del Sur Network in Spanish 2330 GMT 6 Jun 78 PY

[Excerpts] Labor Leader Juan Lechin Oquendo has charged that the Labor Ministry is trying to interrupt the electoral process [for union leaders] in industrial (?enterprises). He said that Labor Ministry interference has increased and that its objective is to obstruct the electoral process which will be carried out in the middle of June in the industrial sector of La Paz.

As is well known, a recent industrial workers assembly established two tickets for elections in the industrial workers department federation. The industrial workers also decided to repudiate labor coordinators.

Lechin Oquendo, who as usual stood near a small tree next to the miners union headquarters, added that labor coordinators experienced a setback at the last industrial workers assembly.

FIRST NUCLEAR SHIPMENT TO ARRIVE FROM U.S. IN SEPTEMBER

PY080120Y Rio de Janeiro JORNAL DO BRASIL in Portuguese 6 Jun 78 p 17 PY

[Excerpt] Brasilia--Licinio Seabra, president of the Furnas Electric Company, a subsidiary of Brazilian Power Companies, Inc, reported yesterday that the first shipment of nuclear fuel for the Angra I nuclear plant will be arriving in Brazil from the United States in September. The total shipment amounts to 50 tons. After a year of operation, one-third of the fuel used by the nuclear plant will be replaced and stored for future reprocessing.

Furnas President Seabra pointed out that commercial operations of Angra I will begin at the end of next year and that the delay is due to the slow progress of the work. The Angra II and Angra III nuclear plants, as provided in the agreement signed between Brazil and the FRG, will begin operation in 1984. This schedule was established jointly by the Brazilian Nuclear corporations (NUCLEBRAS) and Furnas.

RENEGOTIATION OF U.S. NUCLEAR AGREEMENT REJECTED

PY080251Y Sao Paulo O ESTADO DE SAO PAULO in Portuguese 7 Jun 78 p 7 PY

[By Carlos Conde]

[Text] The Brazilian Government will not hold any negotiations with the United States regarding the nuclear agreement they will sign [as published] to supply enriched uranium to the Angra dos Reis nuclear plant. Brazil agreed to the visit of Gerald Smith, a U.S. special adviser for nuclear affairs, only because Washington guaranteed that his mission would be "to explain" the new U.S. domestic nonproliferation act.

The diplomat will not find any receptivity on the part of Brazil to renegotiating its nuclear agreement with Washington. The Brazilian Government's position, which has been time and again stated by the Itamaraty spokesman, is that "the agreements were signed with the purpose of implementing them," adding that this is a legal principle which must be observed to promote harmonious coexistence among nations. Brazil believes that a country loses credibility when it signs an agreement which will not be complied with.

Pursuant to this principle, Brazil will merely "take note" if the U.S. envoy decides to speak about issues other than the U.S. nonproliferation act. "To take note" in diplomatic practice means to listen, to take note but not to discuss the matter.

After enacting its new nuclear nonproliferation act, the U.S. Government decided to renegotiate the agreements it had signed with its international partners on the supply of enriched uranium. The European Community was the first group of countries summoned to hold talks. They were even given a deadline to respond as to whether they would agree to negotiate. These countries, however, diplomatically met but did not give any conclusive answer to Washington.

The official statement released by the U.S. Government regarding Brazil was made by John de Witt, the U.S. Embassy spokesman in Brasilia, who clearly stated that the U.S. domestic law on nuclear proliferation will not affect "the first stage" of the Angra I project. This statement leads to the belief that the act could affect subsequent stages of the agreement.

The Brazilian Government notes that the U.S. Government has changed its position by sending Gerald Smith as its envoy to Brazil. Smith has been studying nuclear energy problems for 28 years and he is obviously an experienced specialist in this field.

This attitude differs from that adopted earlier by the Carter administration, when the Department of State sent Under Secretary Warren Christopher to Brasilia to negotiate nuclear problems. Christopher proposed "alternatives" for the Brazilian-FRG nuclear agreement but his proposals were rejected by Itamaraty.

POLISH, BRAZILIAN OFFICIALS DISCUSS DISARMAMENT, TRADE PACTS

PY080143Y Rio de Janeiro O GLOBO in Portuguese 7 Jun 78 p 9 PY

[Text] Brasilia--The views shared by Brazil and Poland on world political issues, especially on disarmament and detente, were the highlights of the talks held by Wieslaw Adamski, under secretary of state of the Polish Foreign Ministry, with Foreign Minister Azeredo da Silveira and Dario Castro Alves, secretary general of Itamaraty.

Adamski told the Brazilian officials that, since Poland was the victim of two world wars, it demands greater participation in world problems of a political nature and needs the support of all nations, primarily that of Third World countries.

A review of bilateral economic and trade relations between the two countries was also conducted during these talks to reduce the gap between the two countries. The Polish officials stated that their country is today one of Brazil's leading partners, based on the system of "economic complementation" which has been adopted.

During the talks, the Brazilian and Polish diplomats stated that the two countries maintain quite similar positions on international issues. For instance, during the early part of the UN special session on disarmament, the two countries shared the principle that for the [nonproliferation] campaign to succeed it must be framed within an "inverted pyramid" system. That is, pressure must first be applied to the great powers, which have large arsenals of materiel representing a major threat to mankind. Furthermore, they believe that since this is a very important issue action must prevail over words.

The "package" of commercial agreements signed a month ago between Brazil and Poland was mentioned only in passing by the diplomatic representatives of the two countries. The Polish Government is taking the appropriate steps to ratify the documents. It has been agreed in principle that this treaty, which basically seeks to increase the volume of trade between the two countries, primarily in strategic raw materials, will be ratified and enter into force during the visit Industry and Commerce Minister Calmon de Sa will make to Warsaw.

JORNAL WELCOMES NEW NATO POSITION ON USSR EXPANSIONISM

PY062033Y Rio de Janeiro JORNAL DO BRASIL in Portuguese 5 Jun 78 p 10 PY

[Editorial: "New Course"]

[Text] President Carter's speech at the opening of the Atlantic council officially marks the beginning of a new historical phase of U.S. foreign policy, and the beginning of the development of a broader stragegy for the North Atlantic Treaty Organization (NATO).

Carter's words put an end to the argument which started a year ago, on the eve of the London meeting, with regard to the evaluation of the military strength of NATO and the Warsaw Pact because it was decided that, even though the West was not in an inferior position, it would reach it very swiftly if the allies failed to make both individual and joint realistic efforts to try to maintain the superiority of its tactical and strategic resources, both nuclear and conventional. The Washington meeting of chiefs of state and government concluded that these efforts were necessary, even though they meant no less than a 3-percent increase in the defense budgets of each nation.

However, the truly historic nature of that meeting was provided by President Carter's suggestion that NATO expand its area of concern--although in a cautious manner, in describing it he did not go beyond the world vigilance--by keeping an eye on the development of Cuban and Soviet penetration in Africa. According to the President, there are two reasons for this new attitude, which goes beyond the letter and spirit of NATO: the fact that the Soviet Union is "preventing African countries from setting their own course of action" and "the effect which this will have in the long run on the interests of NATO members."

Within the framework of events which preceded the meeting of countries having the greatest military responsibilities in the Western bloc, the position assumed by the U.S. President is not surprising.

Especially after the frustrated invasion of southern Zaire, there has been an ever-increasing number of statements from the heads of the executive branches of the NATO countries and their spokesmen that it will soon no longer be possible for the West to remain passive and lenient in the face of constant and systematic establishment of Soviet-Cuban bases in Africa and the signs of growing reinforcement of Warsaw Pact forces stationed in Europe.

We must especially recall the serious and direct warning issued by Zbigniew Brzezinski upon his return from Peking, the meeting of Foreign Minister Gromyko with President Carter last weekend with regard to the SALT II negotiations (and the news about the freezing of these talks, a freeze now firmly denied by the President himself), the statement of NATO Secretary General Joseph Luns during the rescue operations carried out by French and Belgian forces in the Shaba region, and even the broad accustations made by PRC Foreign Minister Huang Hua at the UN assembly with regard to the resurgence of the USSR military threat.

The United States is now openly accusing the Soviet Union of having broken the agreements on European security included in the final act of the Helsinki conference, and of maintaining an arsenal far greater than that required for its defense. In doing so, the United States has again taken Peking's side because it tacitly implies that the strengthening of Soviet materiel undeniably shows a tendency toward military expansionism which--because no specific European or Asian region is of concern now--will be mainly aimed at Africa and the Middle East.

On the immediate horizon are Eritrea, Somalia, Djibouti, Rhodesia and Namibia; a little further away are Zaire again and someday perhaps South Africa.

It took 20 years for NATO to understand that the USSR has not reduced the threat but only changed its tactics by trying to involve Europe on its southern flank. Curiously, the role of initiating the change of Western strategy fell upon a France disconnected from the military schemes of NATO, on a U.S. President of the Democratic Party, on an FRG Social Democratic government, on a British Labor Party cabinet and on the Government of the PRC; and this has taken place at a time when only with strenuous and dangerous efforts will it be possible to stop the Soviet military advance in Africa.

However, history will not fail to give French President Giscard d'Estaing merit for awakening the collective conscience to the seriousness of this new threat to the freedom of African nations and to the maintenance of peace in the West.

The process of widening the geography under the NATO shield has been initiated. But it was not changed enough in this meeting to allow NATO to operate in the South Atlantic.

In another year, with the passing of the NATO treaty's 30th anniversary and the African situation even more confused, it would not be surprising for the treaty to be brought up to date to meet the new version of the threat which it successfully held back during the first phase of its existence--the new version against which NATO has become ineffective.

This should be a time for rethinking the long-term strategy of the Western democracies because, true to its character, every time the Soviet Union has met resistence to its inroads, it has always managed to come up with indirect tactics capable of outmaneuvering the delays and naivetes of the Western governments.

Should a formula be found as a future result of this NATO meeting so that an integrated force would be sent into action wherever Cuban forces felt revolutionarily entitled to become involved, what might happen is that Soviet strategy would open a new front of trouble simply as a diversionary tactic, at which it has become so adept. That front might well be opened in Europe again as a sort of reprisal for the West's daring move of expanding the area of its strategic concern to Africa. Should the Soviets choose this front, the Balkans would be approaching the right conditions for such a Soviet move. The integrated force, although made up of no more than some NATO countries--namely, France, Belgium and the FRG--would certainly have the logistics and financial support of the United States and the active engagement of troops sent by Senegal, Ivory Coast and the so-called Central African Empire.

If the Soviet Union does not intend to swiftly take the initiative to insure its military dominance over Yugoslavia, it is possible that it will take advantage of Western hesitations to officially promote expansion of the Warsaw Pact's intervention zone to Africa and the Middle East.

At any rate, the strategic map of the Southern Hemisphere is in the process of changing. The only worry is that the nations with the most responsibility in our continent will continue avoiding negotiations in which formulas might be studied to create barriers to threats which are further off for other nations, but closer to our nations because of geographical proximity to areas already involved in conflict. What cannot be allowed any longer is leaving up to others the creation of defensive schemes which will affect us first and most directly.

URUGUAYAN MINISTER DEFENDS ECONOMIC AGREEMENT WITH U.S.

PY070326Y Rio de Janeiro JORNAL DO BRASIL in Portuguese 6 Jun 78 p 16 PY

[Text] Brasilia--Uruguayan Finance and Economy Minister Valentin Arismendi expressed his belief today that the agreement signed by his country with the U.S. Treasury Department--whereby Uruguay vows to reduce its subsidies to exports in exchange for the elimination of U.S. surcharges on Uruguayan products in the United States--will not undermine the position of developing nations, especially Brazil, which want to maintain these subsidies without having to yield to compensatory rights.

He made this statement at the office of Finance Minister Mario Henrique Simonsen after the signing of an additional agreement to the credit agreement signed by the Brazilian Central Bank with the Uruguayan Central Bank, whereby an additional $50 million will be earmarked for the purchase of Brazilian capital assets by Uruguayan enterprises.

Minister Arismendi--who was accompanied on this official visit by Jose Diaz, president of the Uruguayan Central Bank, and by Santiago Antuna, director of foreign trade--believes that the agreement signed by his country with the United States is justified because, in view of its small size, Uruguayan industry needs a good market like the United States to sell its products. This is why the Uruguayan Government has signed the agreement with the U.S. Treasury Department vowing to reduce its incentives to exports.

Despite the fact that U.S. Treasury Under Secretary Fred Bergsten recently cited this agreement as an example which should be followed by Brazil, when he harshly criticized in New York Brazil's economic policy regarding export incentives, Arismendi does not believe that this agreement opened a gap or a weak point which could allow the United States to make its position, which is against subsidies, prevail over that of developing nations, especially Brazil, at the GATT talks which are now underway. Arismendi said that he had not discussed this issue with Minister Sinmonsen.

A communique released to the press by the two ministers after the lunch and work meeting they held today at the Finance Ministry shows that the only tangible result of Arismendi's visit was the reactivation, through an additional $50 million, of the line of credit which was opened almost 3 years ago by Brazil for the financing of Brazilian equipment. The original $50 million granted under this line of credit has already been fully utilized.

The communique states: "Minister Simonsen and Arismendi held fruitful, broad talks on economic, commercial, financial relations between the two countries," and "expressed their satisfaction over the normal utilization of the lines of credit granted by the Brazilian Central Bank to the Uruguayan Central Bank to contribute to the construction of the Palmar Dam, pursuant to the timetable established for the implementation of this project."

ITAMARTY SEES PEREZ AMAZON PACT REMARKS AS 'OPTIMISTIC'

PY070145Y Rio de Janeiro O GLOBO in Porguguese 6 Jun 78 p 9 PY

[Text] Brasilia--Itamaraty regards as an optimistic position on the Amazon Pact the speech delivered recently in Caracas by Venezuelan President Carlos Andres Perez on welcoming Portuguese President Ramalho Eanes. On that occasion, Perez said that "Brazil is a vital part of Latin America, the future center of the Amazon Pact, which we will conclude jointly with Colombia, Bolivia, Peru, Guyana and Surinam."

In his welcome speech for Eanes, President Perez also stated that "the idea of the pact is taking shape in Latin America. There is an awareness of its significance, and progress is being made toward signing this pact," which will be a multilateral accord to exploit the Amazon region.

Itamaraty has reported that the ambassadors to the other South American countries of the Amazon region have expressed their countries' interest in signing the pact, the objective of which will be to coordinate joint actions for the exploitation of the resources of the Amazon region. The pact may be signed during the first half of July.

ARGENTINE 'RADICALS' BLAMED FOR PARANA TALKS FAILURE

PY062222Y Rio de Janeiro JORNAL DO BRASIL in Portuguese 4 Jun 78 p 10 PY

[Editorial: "Dialog of the Deaf"]

[Text] Whether it was factitious or real, the famous dialog in which both John Kennedy and Nikita Khrushchev expressed their own personal desires for peace--"I want peace," said Kennedy: "No, I want peace," said Khrushchev--is a good example of the dialog of the deaf which the Argentine-Brazilian discussion of hydroelectric utilization in the River Plate Basin has become.

Brazil unilaterally canceled the foreign ministers meeting with Paraguay and Argentina scheduled for this month in Brasilia. The reason was that the Argentines wanted to bring back into discussion matters which had either been settled or were impertinent.

The draft of the trilateral agreement which the Argentine Foreign Ministry presented to the Brazilian Foreign Ministry on 26 May made reference to integrated utilization of the hydroelectric potential of the River Plate Basin. This had already been settled under the issue of "prior consultation" among riverine countries. The draft trilateral agreement proposed that navigation throughout the basin be discussed. This was an impertinent proposal since the two countries had previously agreed that only navigation on the Itaipu-Corpus stretch of the Parana River would be discussed.

The Brazilian and Argentine foreign ministries had been in complete agreement on the need to avoid bringing back for discussion in Brasilia controversial or politically settled questions. Had they kept to this agreement, there would have been an opportunity for negotiations on the heights of the Itaipu and Corpus dams, which is the only truly relevant point in this listing of absurdities. Satisfactory preliminary understanding had been reached on the heights of the dams, where all that remained to be settled was the height of Corpus, at about 105 meters.

Did Argentina withdraw from this preliminary understanding, resurrecting settled and impertinent proposals, to deliberately upset negotiations? Did Brazil react for the same purpose, thereby jeopardizing the chance for total agreement?

As in the Taoist logic--"Rivers flow downward but upward too"--Brazil and Argentina understand and yet do not understand each other. It is impossible to understand that it can be just and correct for these two countries, with broad and rich possibilities for cooperation, to tangle in a dispute over the height of a dam, half a meter higher or lower.

The two countries maintain a good understanding in all areas of cooperation and they were near an understanding on the heights of Itaipu and Corpus. Strange and unreasonable forces acted to separate Brazil and Argentina when they were close to a final understanding on the question of the hydroelectric plants. The Buenos Aires newspaper LA OPINION reported that the rupture was received with "obvious enthusiasm" in Argentine political circles. Nationalistic and geopolitical-minded circles, as well as military officers in the reserve, pointed out that their predictions had been confirmed "because the current Brazilian Government does not want and never wanted to arrive at an agreement."

This throws new light on the darkness hiding the resistance. In Buenos Aires--and perhaps in Brasilia also--a radical group is fanning disagreements to justify the authoritarian platforms on which it must stand to survive internally. Fanning nationalism, even under false pretenses, has always been a useful political device for authoritarianism, which benefits from outmoded geopolitical considerations.

JORNAL DO BRASIL, which has often warned the Brazilian Government about the risks it has taken in its relations with Argentina, understands that this time Buenos Aires provoked Brasilia into canceling the trilateral meeting. It therefore calls upon the Argentines to rescind the surprising draft proposal they submitted to Itamaraty, which created a new wave of confusion.

GOVERNMENT WILLING TO EXTRADITE WAGNER 'AS SOON AS POSSIBLE'

PY071732Y Florianopolis Radio Diario da Manha in Portuguese 1515 GMT 7 Jun 78 PY

[Text] Luis Felipe Lampreia, Itamaraty's spokesman, stated that Brazil is willing to process the extradition of Franz Wagner as soon as possible, and confirmed that three countries--the FRG, Austria and Israel--have already requested the preventive custody of Wagner, which is the first step in the extradition process.

Yesterday when Wagner heard he was going to have a press conference, he developed a heart problem and had to be examined by a cardiologist at the federal police station in Brasilia.

The doctor, after administering treatment, said that Wagner was not in any condition to go through further emotional tension.

MINISTER DECRIES CRITICS OF AGRICULTURE POLICY

PY070048Y Porto Alegre Radio Guaiba in Portuguese 2150 GMT 6 June 78 PY

[Text] Salvador--In an emotional speech made here, Agriculture Minister Alysson Paulinelli has criticized those who hold the Brazilian agricultural sector responsible for inflation and the deficit in the Brazilian balance of payments.

Paulinelli said that his criticism is aimed at those who are taking advantage of electoral campaigns to criticize the agricultural policy of the Geisel administration. He added that he did not know anything about alleged criticism of this policy by government officials. Yet, it has been reported that Paulinelli himself had been criticized.

Paulinelli declined to answer newsmen's questions about whether or not Brazilian agriculture policy causes inflation.

FIGUEIREDO WILL RESPECT MALUF NOMINATION

PY071454Y Sao Paulo Cadeia Verde Amarela in Portuguese 1000 GMT 7 Jun 78 PY

[Text] Deputy Alcides Franciscato, National Renewal Alliance-Sao Paulo, speaking at the federal chamber said that General Figueiredo will respect the nomination of Paulo Salim Maluf as Sao Paulo governor. Franciscato pointed out that he was speaking on behalf of General Figueiredo and, if the nomination of Maluf is disputed because of the Lutfalla case, the responsibility will be totally that of the electoral court.

EGYDIO MARTINS WANTS NO COMPROMISE WITH MALUF

PY071252Y Rio de Janeiro JORNAL DO BRASIL in Portuguese 6 Jun 78 p 4 PY

[Excerpt] Sao Paulo--After a 3-hour meeting with his closest aides, Governor Paulo Egydio Martins [of Sao Paulo State] last night released an official note in which he makes clear that Paulo Salim Maluf "is not my candidate. I want to reiterate that I did not have, do not have and do not want to have any kind of political or administrative compromise with him."

Egydio Martins reiterated that he will participate in the 15 November election "with the highest dedication" and added that the major objectives of the 1964 revolution are directly related to the fight against "subversion and corruption." He also stated that "the time we are going through demands a high degree of self-denial."

HUMAN RIGHTS GROUP DENOUNCES VIOLATIONS IN ARGENTINA

PY021805Y Porto Alegre Radio Guaiba in Portuguese 0200 GMT 2 Jun 78 PY

[Text] The Human Rights Defense Committee, which had been created in Sao Paulo by the Metropolitan Curia, denounced today the existence of more than 60 concentration camps for political prisoners and the daily disappearance of 100 to 150 persons in Argentina. These denunciations are made in the bulletin CLAMOR, which is now published by the committee to carry news on human rights violations in southern cone countries--Argentina, Chile, Paraguay, Uruguay, Bolivia and Brazil.

BRIEFS

NEW ELETROBRAS PRESIDENT--Arnaldo Barbalho has been appointed new president of the Brazilian Power Companies Inc [ELETROBRAS], replacing Antonio Carlos Magalhaes, who was nominated by the National Renewal Alliance for the governorship of Bahia State. [Brasilia Domestic Service in Portuguese 2200 GMT 30 May 78 PY]

AGREEMENTS APPROVED--The plenum of the Chamber of Deputies today approved two agreements: a trade agreement signed with the Australian Government in February this year and an agreement whereby the Bolivian Government is authorized to set up an office of the Bolivian Government Oil Deposits in Rio de Janeiro. [Brasilia Domestic Service in Portuguese 2200 GMT 30 May 78 PY]

TRAVEL REQUIREMENTS--The Justice Ministry yesterday dropped the visa requirement for travel to Chile, Argentina, Uruguay and Paraguay. Brazilians traveling to those countries will only need to present identity cards but they will be subject to investigation, via Telex, of their personal records to prevent those who have violated laws from fleeing the country. [Sao Paulo Cadeia Verde Amarela in Portuguese 1000 GMT 30 May 78 PY]

CREDIT FOR ITAIPU LINE--Furnas, a subsidiary of the Brazilian Power Companies Inc, yesterday signed a contract with the Rio de Janeiro Development Bank whereby Furnas will receive a 1.35-billion-cruzeiro credit from the fund for the financing of machinery and equipment. This credit will be earmarked for the establishment of a 700-km power transmission line linking Ivaipora (Parana) and Tijuco Preto (Sao Paulo). This line will carry the power generated by the Itaipu hydroelectric plant. [Rio de Janeiro O GLOBO in Portuguese 31 May 78 p 26 PY]

ERICSSON GETS TELEPHONE CONTRACT--Stockholm, 2 Jun--According to Ericsson Company sources, the Brazilian Telecommunications Corporation has selected that company's telephone system to expand the Sao Paulo telephone network. The contract, costing approximately $200 million, involves installation of 50,000 lines, with an option to later install another 180,000 lines. [Paris AFP in Spanish 1147 GMT 2 Jun 78 PY]

FROST HITS CROPS--Curitiba and Londrinas--Snow fell yesterday in Foz do Areia, 400 km from Curitiba, and heavy frosts hit almost all of Parana State. The agriculture secretariat reported the loss of 250,000 young coffee plants recently planted in Nova Catu, in northern Parana. In Maringa, also in the north, chayote and tomato crops suffered 20-percent loss, while in Londrinas, the president of the coffee trading center reported that producers are stockpiling in the belief that there will be a shortage, resulting in price increases. [Rio de Janeiro JORNAL DO BRASIL in Portuguese 3 Jun 78 p 7 PY]

OIL IMPORTS COST HIGH--According to the Brazilian Petroleum Corporation's purchasing plan, Brazilian oil imports in 1978 will amount to approximately $4 billion. Oil Purchases during the first half of the year will amount to approximately $2 billion and the purchases for the second half are estimated at $2,008,907,000. [Sao Paulo O ESTADO DE SAO PAULO in Portuguese 4 Jun 78 PY]

LOSS CAUSED BY DROUGHT--Governor Sinval Guazelli has stated in Bage that the loss caused by the drought in Rio Grande do Sul State is estimated at 8.5 billion cruzeiros. [Porto Alegre Radio Guaiba in Portuguese 0200 GMT 3 Jun 78 PY]

PORTUGUESE TRADE MISSION--A delegation of Portuguese businessmen, headed by the chief of commercial missions of the Export Promotion Fund [Fundo de Fomento as Exportacoes], headquartered in Lisbon, has been meeting with Brazilian businessmen in Rio de Janeiro. The objective of these talks is to intensify trade, promote investments and create new Luso-Brazilian joint ventures to bring the trade balance between the two countries to a point of equilibrium. It has been reported that Brazil will give preference to the import of Portuguese-made products, given similar prices, quality and technology, provided that third country enterprises are not covertly involved in the production of these products. Brazil has adopted a similar policy in its trade with Spain, Greece and Eastern Europe. [Brasilia Domestic Service in Portuguese 2200 GMT 5 Jun 78 PY]

MINISTER TO JAPAN--Industry and Commerce Minister Angelo Calmon de Sa will go to Japan this month to negotiate a $700-million credit for the installation of the Tubarao steel mill. [Sao Paulo Cadeia Verde Amarela in Portuguese 1000 GMT 6 Jun 78 PY]

ILO DELEGATION--President Geisel has signed a resolution appointing the delegation to the ILO conference. The delegation will be headed by Labor Minister Arnaldo Prieto and will leave for Geneva next Friday. [Text] [Sao Paulo Cadeia Verde Amarela in Portuguese 1000 GMT 6 Jun 78 PY]

NEW EDUCATION SECRETARY--Armando Dias Mendes has been appointed new secretary general of the Education Ministry, replacing Euro Brandao, who was recently appointed education minister. [Rio de Janeiro JORNAL DO BRASIL in Portuguese 6 Jun 78 p 22 PY]

DRUG AGREEMENT WITH VENEZUELA--The plenum of the Chamber of Deputies today approved the agreement on mutual assistance to repress the illegal traffic of addictive drugs signed between Brazil and Venezuela in November last year. [Text] [Brasilia Domestic Service in Portuguese 2200 GMT 7 Jun 78 PY]

HUNGER STRIKE ENDS WITH PROMISE OF REPORT ON MISSING

PY080309Y Paris AFP in Spanish 2201 GMT 7 Jun 78 PY

[Text] Santiago, Chile, 7 Jun--Relatives of missing Chilean citizens ended a 17-day hunger strike today after a promise that there would be a response soon. The hunger strike started on 22 May when demonstrators occupied several Catholic churches and headquarters of international organizations.

In a communique issued this afternoon, the organization of relatives of missing persons accepted a request, made last night by the Chilean Catholic Church, that the hunger strike be stopped. This appeal, signed by Catholic bishops, was disclosed after Interior Minister Sergio Fernandez assured Cardinal Raul Silva Henriquez that the military government will issue information about the cases of missing persons.

The strikers demanded an official statement regarding the fate of more than 600 persons who were detained or kidnaped in Chile in the last 4 years.

The communique issued today by the strikers states that "we will find them--for the sake of the fatherland, life and freedom."

Furthermore, Interior Minister Sergio Fernandez stated that at the proper time the government will issue a statement of the negotiations held with the church.

It was reported that, although the long fast was ended, the 150 strikers are still inside the churches, receiving medical assistance and food. They will return to their homes on Thursday.

A few minutes before the solution of the conflict was known, a student demonstration in support of the hunger strikers was disrupted by militarized carabineros. Dozens of youths were detained without resistance. All of them were later freed. Similar demonstrations have been carried out since the middle of last week in downtown Santiago, while priests, nuns, intellectuals, workers and artists carried out fasts in support of the relatives of the missing persons. Hunger strikes supporting the Santiago movement also broke out in several European and Latin American countries. In the last few hours a group of foreign personalities arrived in Chile to learn first hand about the magnitude of the problem. Among them is Louis Edmon Petiti, president of the French bar association; William Sloane, representative of the World Council of Churches; and Admiral H. Sanguinetti, from the International League for the Defense of Human Rights, headquartered in Paris.

Arrested Demonstrators Freed

PY080133Y Santiago Chile Radio Agricultura in Spanish 0000 GMT 8 Jun 78 PY

[Text] According to a carabineros report, the persons who had been arrested in the capital for holding an unauthorized protest were set free at 1500 today. They were charged with disrupting public order [passage indistinct]. They began to give up their position in response to a call by the Archbishopric of Santiago to evacuate the churches.

AUTHENTIC PLR ATTACKS GOVERNMENT STAND ON LAINO

PY052200Y Asuncion ULTIMA HORA in Spanish 5 Jun 78 p 20 PY

[Open letter issued by Authentic Radical Liberal Party [PLR]: "To National and International Public Opinion"]

[Text] 1. For 25 years Gen Alfredo Stroessner's government has been using the trite argument of anticommunism to request military, police, technical and economic aid from the U.S. Government, and this aid was granted despite the oppressive dictatorship established in 1954. This situation, which has also been enforced in other Latin American countries, has motivated reiterated protests from democratic sectors both in Paraguay and in other Latin American countries having similar experiences. This aid, granted to those governments through "oppressive power structures," has helped to consolidate autocratic and totalitarian regimes which deny democratic values and which systematically violate human rights. Therefore, this aid is a vicious and direct intervention.

2. No one should be surprised, therefore, if an environment of psuedonationalism or a psychosis of fear is now created as a reaction to Domingo Laino's statement--a statement which does nothing more than express and interpret the real situation which Paraguay and Latin America are experiencing and which cannot be distorted; A STATEMENT WHICH REITERATES THE TRADITIONAL POSITION OF THE AUTHENTIC RADICAL LIBERAL PARTY AND OF ALL THE GENUINE NATIONAL OPPOSITION SECTORS. Laino's statement reflects the anguish and hope of those people who are harassed, humiliated, tortured and expelled from our fatherland.

3. The Authentic Radical Party board and all honest citizens have already publicly endorsed President Carter's policy, which involves an auspicious change for the security, well-being and respect of human rights of thousands of Paraguayans, Latin Americans and oppressed people throughout the world and an effective consolidation of democratic values which are obliged to be respected by governments in accordance with their domestic laws and solemn international commitments inspired by Christian values of the Western world. It is the enemies of this renovating trend who proclaim that demanding the enforcement of human rights means "intervention in domestic affairs." BUT THEY FORGET THAT TRUE INTERVENTION IN DOMESTIC AFFAIRS IS THE KIND THAT HAS BEEN TAKING PLACE FOR YEARS WITH THE DIRECT INVOLVEMENT, AND SOMETIMES EVEN USE OF FORCE, TO CONSOLIDATE DICTATORIAL, OLIGARCHIC ANTI-POPULAR, CORRUPT AND ANTINATIONALISTIC REGIMES. It was not the Authentic Radical Liberal Party which ordered Paraguayan soldiers sent to intervene in the domestic affairs of a Central American republic.

4. It is absolutely false, in the context of these realities, that Laino has requested foreign intervention. We are struggling so that FOREIGN INTERVENTION WILL STOP SERVING THOSE DICTATORIAL "POWER STRUCTURE" which obstruct, among other things, the free expression of the people's will. This is the only genuine nationalistic position, not that expressed by those usurpers of power, those privileged minorities, who get immensely rich through the use and abuse of national goods and resources, economic aid which they manage basically for their own benefit, and "aid" which only gets to the people in very small measure.

5. The Foreign Ministry communique states that Gen Alfredo Stroessner's government believes the suspension or curtailment of economic aid to his regime may cause a substantial change in the "structure of power" in Paraguay.

THIS ONLY ADMITS AND AFFIRMS THAT THE STRUCTURE ESSENTIALLY DEPENDS ON ASSISTANCE--THAT IS, THAT HIS GOVERNMENT COULD NOT EXIST WITHOUT FOREIGN MONEY: AN INADMISSIBLE RECOGNITION BY A SYSTEM OF POWER WHICH DOES NOT MISS AN OPPORTUNITY TO DEFINE ITSELF AS NATIONALISTIC AND POPULAR.

6. We categorically reject the communique's remark that Laino "slandered the Paraguayan people and government." General Stroessner's government is one thing and the Paraguayan people are quite another. This pretended identity is an old and repeated technique of totalitarian dictatorships which seek, in this manner, to represent as one and the same thing government, nation, state and party. Dr Laino is not a slanderer. He has always been a courageous and firm critic of the corruption which has been corrupting the current "power structure" for a long time, standing out as a defender of the people--which is not the "power structure," but all our compatriots, including relatives of political prisoners who died in prison, those persecuted and tortured, those pushed out of public life for not adhering to Stroessnerism, the suppressed workers, members of the persecuted peasants league, violently dislodged farmers, those who cannot have military or police careers because they do not agree to suffer such vexations as compulsory membership [in the Colorado Party], the hundreds of thousands of exiles, including some members of the Colorado Party who were expelled from the country for opposition to the perpetuation in power of Gen Alfredo Stroessner for violating republican principles.

7. Dr Laino had not requested the umbrella of foreign flags "to alter the free and democratic will which has been expressed through unobjectionable elections," as the Foreign Ministry communique says. This statement sounds like sarcasm, in view of the electoral farces which the government has staged for 25 years, thwarting the registration of opponents, listing party members repeatedly, and handling the electoral board as they wish--far from being an impartial electoral court, it is an appendage of the government--monopolizing the propaganda means, openly intervening in the internal life of opposition parties, leaving ballot boxes unprotected, and so many other grossly fraudulent maneuvers to which all the Paraguayan people are witness. And all this is carried out within an uninterrupted state of siege, which began as an exception and became permanent. Thanks to this the government gave itself the almighty fight of arbitrarily disposing of the freedom, life and security of Paraguayans. And the height of the farce comes when the state of siege is lifted on the day of elections. The communique calls these "unobjectionable elections."

8. THE BOARD OF THE AUTHENTIC RADICAL LIBERAL PARTY CALLS THE ATTENTION OF NATIONAL AND INTERNATIONAL OPINION TO THE GROSSLY DISTORTED INTERPRETATION OF THE REMARKS MADE BY ITS FIRST VICE PRESIDENT. THE FALLACY OF IDENTIFYING OPPOSITION TO THE DICTATORSHIP WITH TREASON TO THE FATHERLAND IS USED BY REGIMES TRYING TO SILENCE THEIR CRITICS. And in the particular case of Dr Laino, whose public performance as defender of national interests against the corruption of the dictatorship made him a political leader of solid national and international prestige, they have for a long time tried to discredit, to diminish and to eliminate him from the country's political scene, resorting to the coarsest stories and dishonest procedures. The Soviet Communist Government uses the same charge of treason against the fatherland against its dissidents.

9. No one in Paraguay ignores the fact that Domingo Laino disturbs the government. First, the famous "Mironkine" case was plotted. Then the events in Villarrica were planned. He was later involved in more than one legal suit based on the antidemocratic Law No 209.

And now organizations manipulated by the dictatorship are waging a deliberately biased campaign which seeks to justify additional persecution AND TO RAISE A SMOKESCREEN BEFORE NATIONAL AND INTERNATIONAL PUBLIC OPINION IN AN EFFORT TO HIDE THE CONTINUING VIOLATIONS OF HUMAN RIGHTS IN PARAGUAY. THIS IS A TIME WHEN THE GOVERNMENT AND NOT THE PARAGUAYAN PEOPLE SHOULD ANSWER TO THE ORGANIZATION OF AMERICAN STATES (OAS) CONCERNING NONFULFILLMENT OF THE SOLEMN AGREEMENTS UNDERTAKEN BY THE PARAGUAYAN GOVERNMENT AS A MEMBER OF THE COMMUNITY OF NATIONS OF THIS HEMISPHERE--a community which is based on the values of representative democracy and on respect for human rights.

10. Government spokesmen travel to and from the United States presenting their points of view concerning Paraguay's domestic problems to that foreign power. Government representatives invite foreigners with prejudiced points of view who visit Paraguay and form an opinion with regard to aspects of our national life, while praising the regime's alleged kindnesses. However, they pretend to be shocked when opposition leaders, whose voices are silenced or whose views do not appear in the country's press, make use of their inalienable right to expose the other side of our nation's life. These leaders carry the voice of the people who are not allowed to speak--the voices of the oppressed and the persecuted. It is the real voice of those who want a true democracy within a free America.

11. Finally, we denounce before national and international public opinion the creation of a climate provoking violence by official sectors. AND WE HOLD THE GOVERNMENT RESPONSIBLE FOR ANY HARM TO THE FREEDOM AND PERSONAL INTEGRITY OF THE FIRST VICE PRESIDENT OF OUR BOARD OF DIRECTORS. This climate and the inciting harangue are additional proof of the lack of respect for human rights in Paraguay.

[dated] Asuncion, 1 June 1978;

[signed] The board of directors of the Authentic Radical Liberal Party; Miguel Angel Martinez Yaryes, Juan Manuel Benitez Florentin, Miguel Abdon Saguier, Carlos Alberto Gonzalez, Julian Cocco Perito, Nelson Garcia Ramirez, Juan Carlos Zaldivar, Oscar Aguilera, Gustavo Laterza, Carlos Villagra Marsal, Blas Manuel Mangabeira, Modesto Salinas, Alipio Trinidad, Elida Lizza Hermosa, Enrique Ferreira, Modesto Lezcano

WAR MINISTER MOLINA PALLOCHIA ADDRESSES LOYALTY CEREMONY

PA080215. Lima Domestic Service in Spanish 1530 GMT 7 Jun 78 PA

[Speech by Peruvian Prime Minister and War Minister Gen Oscar Molina Pallochia at Lima's Bolognes Square during ceremonies commemorating battle of Arica--live]

[Text] Soldiers: You have just given a solemn oath. This oath commits you to giving the best of your intelligence, emotions and integrity to the fatherland in order to always maintain it untarnished and sovereign.

In the past, our martyrs, our forefathers and heroes, died in its defense, becoming examples for the present and the future. This ceremony is the most solemn and important in the life of the men in uniform, of the soldiers of the fatherland.

We promise before the statue of the immortal soldier and patriot Col Francisco Bolognesi and before the sacred red and white colors of our flag to fulfill our primary duty to defend our fatherland until we die. We owe our allegiance to this fatherland before anything else. No sacrifice, no renunciation is ever enough for the fatherland, which demands constant loyalty. Be aware that you have committed your word as men and as soldiers when you stated: "I swear."

Always remember the meaning of this promise. You have the example of Colonel Bolognesi, whose immortal spirit lives in the hearts of all our comrades throughout our country. Remember his glorious deeds and sacrifices at the side of Ugarte, Inclan and other heroes who fought to the end fulfilling the same oath you have taken today.

There is no more noble deed, there is no greater sacrifice than to give one's life in defense of the country's sovereignty and greatness. Let us recall that today we have another great and important commitment: It is the continued development required by Peru to insure a better future for our children. This means that we must advance through the united effort of all Peruvians. Only through the unity of all Peruvians can we consolidate the future which we all want for Peru--a great, free, just and independent country. This cannot be done by promoting hatreds and confrontations between brothers. This will not help build our country.

History has taught us that people are great only when there is a real national awareness with united purposes, efforts and aspirations. We have no wish for oppression, but neither will we allow abuses. We have no liking for injustice, but neither will we accept intimidation and hatred. We have no liking for [word indistinct], but neither will we shed the blood of our brothers to overcome it. We want only the strongest and most just democracy for our people in full freedom, but without suffering or despair. The country will remain under the control of the armed forces until the process of political transition concludes in 1980. This is the climax of a very important stage in our history in which we have played an important role and in which we have changed so many aspects of Peruvian reality. History will be an impartial judge of the sincere efforts made with the most worthy intentions.

Fellow countrymen, the fatherland demands at this moment that all its sons show an unflinching determination. It also demands the most generous and loyal dedication of all our efforts to overcome the difficult stage we have had to live through and from which we must emerge with the satisfaction that we have done our duty to our country.

We all have the immediate moral and patriotic obligation to place the national interests before any other personal or [word indistinct] interest. We all have to cooperate fraternally in order to successfully overcome the different stage still pending before the country's democratic institutionalization. We all have the responsibility of not engineering the transition process which has already begun. We all have the duty to call on the memory of our national heroes and become worthy heirs of their glory and faith. Only in this way can we become one with those who did not hesitate to give their lives in defense of sacred national interests and left the coming generations a strong, worthy and sovereign Peru, a land which [words indistinct].

Soldiers, always remember that the fatherland requires from you the most demanding preparation for you to confront any threat to our nation. The confidence the people place in you demands a honorable and unavoidable commitment to be always ready to defend the nation's territorial integrity and sovereignty. It also demands compliance with the most noble and worthy patriotic duties in order to always deserve the trust of our people.

Before our country and its emblem, which is our glorious flag, let us swear to maintain it untarnished as was done by Col Francisco Bolognesi 98 years ago on a day like today in a beautiful and exemplary sacrifice which still lives. Bolognesi gave his life to show us where our duty lies today and forever. We must strive for a united and strong Peru. [Words indistinct] unselfishness and sacrifice. [Words indistinct] in order to help build it with your own deeds. The men in uniform have only one mission, which goes back to our liberation struggle, and we have only one commitment: to make Peru a fully sovereign country respected abroad, and at home fully united, a just and proper home for free and worthy men.

Cadets, soldiers, [word indistinct] citizens: Long live Peru.

INTERIOR MINISTRY ISSUES COMMUNIQUE ON TEACHERS STRIKE

PY071753Y Lima Domestic Service in Spanish 1200 GMT 7 Jun 78 PY

[Official Communique No (?015)-78-MI released by Interior Ministry Public Relations Office on 6 June 1978 in Lima]

[Text] The Interior Ministry informs the population of the following:

1. The demands of the politicized group of teachers, illegally claiming to be the representative of the teachers, are partially interrupting educational activities on the pretext of asking for the acceptance of a series of claims and exaggerated demands of an essentially political nature, apparently seeking solutions to the problems of the teachers.

2. The unyielding attitude demonstrated by the leaders of this group and their refusal to accept a reasonable solution, (?demonstrated by the decision to) strike adopted by this [word indistinct] leftist group, cannot be accepted as labor claims but as political maneuvers to use the national educational community, teachers, parents and students, through [words indistinct] workers from other sectors through the so-called unitarian command of (?Ica) [initials indistinct], of which it forms a part, in order to create a front for popular struggle which has the principal objective of (?thwarting) the political schedule established by the revolutionary government of the armed forces for the election of a constituent assembly and the transfer of the government.

3. It is appropriate to indicate that if this counterrevolutionary plan, to which mention has been made, is implemented it will cause the following harm:

A. For the national [word indistinct] community: the loss of the school year for thousands of children and youth; the risk to their lives as a consequence of the violence and agitation in which they will be involved; enormous losses in the educational infrastructure which will have to be evaluated and replaced by the community; and finally, the unemployment of thousands of teachers [words indistinct] who in view of their high concepts of solidarity are participating in the strike.

B. For the rest of the country: a state of anxiety and uneasiness in the development of economic, social and political activities, with special emphasis on the electoral process now in progress.

4. The government is aware that the authentic teachers are alien to the bad intentions of a politicized leadership which is largely composed of those who no longer to that sector and who are taking advantage of the good faith of the grassroots in order to commit them to actions which do not pertain to their sector.

5. On denouncing this maneuver, the Interior Ministry repeats the government's decision to guarantee the free self-determination of teachers, parents and students to normalize educational tasks in the defense of the country's interests.

It also warns that it will adopt, within the current legal framework and with the energy required by the situation, the measures necessary to insure the continuity of the school year and the strict implementation of the political-electoral schedule which the government has established and with which it will comply.

SOVIET-PERUVIAN TRADE TO REACH $50 MILLION THIS YEAR

PY070353Y Lima Domestic Service in Spanish 0300 GMT 7 Jun 78 PY

[Text] Soviet-Peruvian trade this year will reach $50 million. This estimate was made by the Soviet commercial attache in Peru, (Alex Kostov), just before returning to his country. He reported that the placement of Peruvian goods--such as lead, copper, zinc and bismuth concentrates, coffee and sugar--on the Soviet market is assured until 1980.

MINISTER ARBULU IBANEZ FINDS MARKETS WELL STOCKED

PY051427Y Lima Radio Union in Spanish 1130 GMT 5 Jun 78 PY

[Summary] Agriculture and Nutrition Minister Gen Luis Arbulu Ibanez made a surprise visit early yesterday morning to several Lima markets and found an ample supply of foodstuffs, in some cases at a lower cost than the official prices. The markets were well stocked and many people were making purchases.

During his 5-hour inspection trip, the minister was able to observe the effectiveness of the "impacto" operation, which has been implemented jointly by his ministry and that of the interior in order to control prices and ferret out speculators.

BRIEFS

SIDERPERU GENERAL MANAGER RESIGNS--The Board of Directors of the Peruvian State Iron and Steel Enterprise [SIDERPERU] has accepted the resignation of its general manger, Air Force Lt Col Luis Caceres Graziani (ret). [Lima Domestic Service in Spanish 1200 GMT 31 May 78 PY]

PRESIDENT PEREZ TO ATTEND PANAMA TREATY CEREMONY

PA071402Y Caracas Radio Continente Network in Spanish 0300 GMT 7 Jun 78 PA

[Text] President Carlos Andres Perez will go to Panama on the 16th of this month, according to an announcement made by Information and Tourism Minister Dr Celestino Armas.

Dr Armas said that the Venezuelan chief of state will attend the ceremony for signing the canal treaties ratified by the U.S. Congress and the Panamanian people.

PEREZ COMMENTS ON COLOMBIAN PRESIDENTIAL ELECTIONS

PA080359Y Caracas Radio Continente Network in Spanish 0300 GMT 8 Jun 78 PA

[Text] President Carlos Andres Perez seemed to be pleased with the Colombian presidential elections, which were held last Sunday and won by Liberal presidential candidate Julio Cesar Turbay Ayala. The president said that the recent electoral process in Colombia reaffirms America's desire for democracy.

The president remarked that Turbay Ayala's visit to Caracas has not yet been confirmed. However, if he should come, we will discuss important topics of bilateral interest and fundamental issues of Latin America.

PORTUGUESE PRESIDENT EANES ADDRESS TO CONGRESS

For the text of the 29 May speech made by Portuguese President Ramalho Eanes to the Venezuelan Congress, see the Portugal section of the 8 June Western Europe DAILY REPORT.

DEFENSE MINISTER DISCUSSES PURCHASE OF ITALIAN FRIGATES

PA061433Y Caracas Radio Continente Network in Spanish 0300 GMT 6 Jun 78 PA

[Text] National Defense Minister Gen Fernando Paredes Bello has announced that the frigates which Venezuela has purchased from Italy to modernize the Venezuelan Navy will arrive during the second half of 1979. General Paredes Bello added that Venezuela has purchased six frigates and that the purchase is part of a modernization plan that is working out very well.

The minister said that the frigates will arrive over a period of several months. The first will arrive around mid-1979 and the following ones approximately 1 to 2 months later.

BRIEFS

OIL PRODUCTION INCREASE--Caracas, 3 Jun (LATIN)--Venezuelan oil production has continued to increase after a considerable drop in January and February. Production has reached 1,985,347 barrels daily in the first 5 months of the current year, according to figures released by the Mines and Energy Ministry. The figures are still 12.63 percent below the production for the same period last year. [Buenos Aires LATIN Spanish 1555 GMT 3 Jun 78 PA]

TORRIJOS LAUDS CARTER, VIEWS 'ANTIZONIAN SENTIMENT

PA0813[illegible]/Y Madrid EFE in Spanish 2119 GMT 7 Jun 78 PA

[Text] Madrid, 7 Jun (EFE)--The Panamanian chief of government said in a Spanish radio and television report broadcast to the country today that "there has been anti-U.S. sentiment" in Panama, "only antizonian sentiment." Omar Torrijos explained that the "antizonian" sentiment--"zonians" being the Americans who live in the Canal Zone--can be explained by the fact that the "zonians" are neither Panamanians nor Americans and are interested solely in their own welfare.

The Panamanian leader explained the long process that has taken place since 1964 to attain the new Panama Canal treaties with the United States, which were recently ratified. This process will culminate on 16 June with U.S. President Jimmy Carter's visit to Panama. Torrijos described Carter as a "deeply moral man," capable of overcoming any obstacle when he is convinced of the honesty of a cause, such as that of the new Panama Canal treaties.

He praised Spain and its chief of government, Adolfo Suarez, for their full support for the Panamanian cause in the last and difficult moments prior to the signing of the treaties, when he made his tour of Europe. In the television report, Torrijos said that it would not be difficult for him to fulfill his father's request--made shortly before he died--to promise that he would die poor.

ARNULFO ARIAS' RETURN ON 10 JUNE CONFIRMED

PA061420Y Panama City STAR AND HERALD in English 6 Jun 78 pp 1, 7 PA

[Text] The political committee of the Panamenista Party today received a cable sent from Miami, Florida, confirming the projected day and time of arrival in Panama of Dr. Arnulfo Arias Madrid, exiled ex-president of Panama, as Saturday, June 10, at 3 p.m. via a special flight that will arrive at Paitilla airport in this city.

The cable, addressed to Luis F. Clement, chairman of the political committee, reads as follows: We confirm the arrival at Paitilla airport by special flight June 10, 1978 at 3 p.m. of Dr. Arnulfo Arias and his retinue, signed Hildebrando Nicosia, secretary general of the Panamenista Party.

In other developments, the Republican Party of Panama today issued a communique in which it expresses its complacency [as published] upon the forthcoming return of Dr. Arias, whom the party successfully backed for president in the 1968 elections.

The communique congratulates the Panamenista Party upon the return of Dr. Arias to Panama to personally assume the directorship of the party. It is signed by Lorenzo Romagoza, president.

LA ESTRELLA HINTS OF POSSIBLE DISORDERS WITH ARIAS' RETURN

PA071731Y Panama City LA ESTRELLA DE PANAMA in Spanish 7 Jun 78 p 1 PA

[Editorial: "Dr Arnulfo Arias' Return"]

[Text] It has been announced that Dr Arnulfo Arias Madrid, three times president of Panama by popular vote and three times deposed before completing his term, is preparing to return to Panama, exercising a legitimate right that has been granted him by the government.

However, bearing in mind that Arias is a particularly controversial and contradictory figure who has ignited fiery passions both for and against him, certain doubts and misgivings nave arisen among vast sectors of our community as to the real objective pursued by those who have pressed for his return.

Starting from the fact that Arias has practically no political future for physical reasons, that is, his age, and the fact that the national government enjoys broad and firm support from a vast majority of the citizenry, one can only assume that the so-called "Arnulfista" group seeks to profit from whatever prestige their leader has left. They have apparently overlooked the fact that there is no Francoism without Franco and that Peronism without Peron was a resounding failure because certain popular feelings cannot be accepted by or transferred to others.

There is also the possibility--which we hope is a remote one--that the Arnulfistas are trying to take advantage of their leader's presence to disrupt public order and to promote disturbances of a varied nature to create a climate of insecurity, thereby causing President Carter to cancel his trip to Panama for the exchange of ratification instruments. Such a negative effort could only elicit repudiation from the citizenry, who view the ratification of the Torrijos-Carter treaties and the announced visit of the U.S. President to our capital with special pleasure and national pride.

We trust that Dr Arias will be the first to oppose any plans of his followers to use him in a bid to profit, from whatever political following the Panamenista leader may still have, by trying to disrupt the peace and harmony that our country needs now in order to undertake, with determination and under the best possible circumstances, the great collective task of achieving our economic recovery and thus insuring our sustained development.

PANAMENISTA PARTY DENIES PLANS TO DISRUPT PUBLIC ORDER

PA071747Y Panama City Radio Mia Network in Spanish 1100 GMT 7 Jun 78 PA

[Statements by Emiliano Aguilar, member of the provincial directorate of the Panamenista Party during "Resumen Informativo" program--live]

[Excerpt] Regarding the government's [as heard] concern mentioned in today's issue of LA ESTRELLA DE PANAMA, the Panamenista Party has at no time planned to promote disturbances of any kind because we do not honestly believe in Panamanians fighting each other. We advocate the unity of Panamanians, not their division. Consequently, the government's concern is completely groundless.

We advocate a civil and patriotic struggle. We do not believe in Panamanians killing one another. The government should be concerned about the Cubans who are here to train peasants, humble people in the fields who do not know anything about their doctrine. The government should really be concerned about that, which is what really divides Panamanians.

Panamenism has always been completely nationalistic and patriotic. We have always advocated true sovereignty for, not division among, Panamanians.

Consequently, the government can rest assured because we will stage a patriotic and free demonstration. They can bring their Carter if they want to. We do oppose Carter's trip because we consider it to be direct intervention in the domestic affairs of Panama, but we have at no time planned to promote any disturbances because the present situation in Panama is not suitable for any type of uprising.

VELAZQUEZ CAUTIONS NATION ON ARIAS' RETURN

PA080342Y Panama City Televisora Nacional in Spanish 2315 GMT 7 Jun 78 PA

[Mario Velazquez commentary]

[Text] In today's edition, LA ESTRALLA DE PANAMA published a front page editorial which echoes our own feelings expressed last week regarding a general concern in the community over the ceremonies which will be held in Panama City on the occasion of former President Arnulfo Arias' return to the country. We share the opinion of the dean of Panamanian newspapers in the sense that Arias has a legitimate right to return. We add that his followers have the same right to receive him and to express their enthusiasm over the political chief's return.

However, just as the government has the obligation and responsibility to maintain order and public peace, Panamanians have the right to meet, disagree and dissent within a framework of respect for that order and public peace which is so necessary for the country's health. Panama is showing some signs of economic recovery after several years of calamities and difficulties in this area, which brought on a recession in private investments and industrial and commercial activities to the detriment of investors, workers and the state.

The recent meeting of businessmen and government officials on Contadora Island, which was attended by the chief of government, was a positive effort by private enterprise and the government to agree on ways to communicate, which constitutes the first step in overcoming the distrust and reservation which have unfortunately existed between these two sectors in the last few years.

In our commentary of 9 November 1977, we said that a true dialog must be established among government, workers and private enterprise, with complete willingness to communicate in order to establish realistic, practical and effective measures to permit full reestablishment of confidence in the economy and the business sector, an objective which I believe is precisely what the government and businessmen are now searching for. Fortunately, public peace and order constitute what we could call the basic requirement for the country's economic improvement and the possibility of successfully facing problems which implementation of the treaties impose on all Panamanians.

In this respect, the opposition has a grave responsibility next Saturday. As far as we have been able to determine, the government is firmly determined to give Arias' reception every rightful guarantee and security. All political enthusiasm can be expressed within this framework. Nevertheless, one must not underestimate what provocateurs alien to the purpose of the rally might do. Extremist elements who could well try to distort the objective of the rally for their own perverse interests. Therefore, Saturday's rally is in a way a test of civic maturity for the leaders and organizers of the rally, who should take the necessary precautions to keep it under control by exercising good judgment.

We have confidence in the civic maturity of the Panamanian people. Those who are seeking to lead the people will have to exercise civic maturity and a sense of responsibility so that Saturday's rally can be held without disrupting public peace and order.

UNIONS CONDEMN CADE-78'S STAND ON LABOR CODE

PA060008Y Panama City Domestic Service in Spanish 1730 GMT 5 Jun 78 PA

[Text] Several labor unions today condemned the recent Annual Conference of Business Executives (CADE-78) for its opposition to the labor code.

The denunciation is included in a communique signed by the national union of workers of companies producing, distributing and marketing construction materials; the union of petroleum workers of Panama; the union of workers of the Terminales Panama Company and several other organizations.

According to the document, CADE-78 attacked the laws on housing and price regulation in the watered-down labor code so they would be allowed to raise the price of several products which, in effect, would raise the cost of living.

According to the labor unions, the greatest insult is that at the CADE-78 meeting speeches were made in the name of democracy, justice and freedom, when in truth the businessmen acted in the name of oppression.

Concluding, the document states that harmony cannot exist without respect and social justice, except when one of the parties is submissive or cowardly, and workers are neither.

SUPREME COURT REJECTS WRIT CHALLENGING ELECTIONS

PA062035Y Panama City Circuito RPC Television in Spanish 1800 GMT 6 Jun 78 PA

[Excerpt] The Supreme Court, through a decision dated 2 June released this morning, rejected a writ for the protection of constitutional guarantees filed by Carlos Ivan Zuniga against Decree No 7, dated 20 February 1978 authorizing the electoral tribunal to call elections.

The Supreme Court's decision noted that said law does not constitute an arbitrary order which may or may not violate the rights of any citizen as prescribed by Article 49 of the constitution, which establishes guarantees for the protection of civil rights. The decision also states that in this case, as in many others, a writ for the protection of constitutional guarantees is being confused with a plea of unconstitutionality.

Zuniga filed the suit claiming that the vote which Panamanians will cast on 6 August will not be proportional because those corregimientos with a small population will elect one representative just as those with a large population. Thus, the minority would carry the same weight as the majority.

COLON STUDENTS BURN EDUCATION MINISTRY VEHICLE

PA080402Y Panama City Circuito RPC Television in Spanish 0300 GMT 8 Jun 78 PA

[Text] This afternoon around 1335, unidentified students in Colon burned an Education Ministry vehicle while student groups of various ideological trends engaged in violent disputes.

Since 6 June several student groups have caused property damage on various occasions during which six students have been injured.

Parents and Education Ministry officials have asked students to avoid violence and set aside their differences which have led to the clashes. The burned Education Ministry vehicle was later thrown over the breakwater surrounding part of Colon.

BRIEFS

REVENUE COLLECTION REPORT--In May, the national government collected 27.3 million balboas, 2.3 million more than had been expected for the period, General Revenue Director Dr Fernando Aramburu Porras reported this afternoon. He stated that the increase was largely the result of an increase of 1.5 million balboas in import tariffs, 1.2 million balboas in taxes on the transfer of movable goods, 500,000 balboas in payroll deductions and 700,000 balboas from the national casinos. Dr Aramburu Porras reported that the total revenue collected from January to May 1978 amounts to 153.8 million balboas, which is 4.8 million balboas more than estimated. Estimates for the first 5 months of this year totaled 149 million balboas. [Panama City Televisora Nacional in Spanish 2315 GMT 1 Jun 78 PA]

HYDROELECTRIC PROJECT CONTRACT AWARDED--Skandia International, which represents a Swedish firm (Asia) and a Norwegian firm (Cavarner Brog), has definitely been the winner in bidding No 536-77 for the Fortuna hydroelectric project. Rafael de Gracia, director of the engineering department of the Institute of Hydraulic Resources and Electrification, has reported that the contract is scheduled to be signed this month. The contract is for the financing, supplying, delivery and installation of hydraulic turbines, speed regulators, [word indistinct] valves, and power generators and transformers. It is expected that the equipment will be installed and ready to operate by 1982, De Gracia said. He added that the construction of the Fortuna project is now in its initial stages. The tunnel providing access to the facility where the equipment will be housed that Skandia International is to install was dedicated in April. The tunnel is part of the underground work carried out by (?Impregilo) Panama Asociados, an Italian firm. [Text] [Panama City Domestic Service in Spanish 2230 GMT 2 Jun 78 PA]

BELIZE

TALKS TO OPEN IN NEW YORK; UK GATHERS FACTS

FL071430Y Belize City THE REPORTER in English 4 Jun 78 p 1 FL

[Text] Representatives of the government and opposition parties are meeting the British foreign secretary, Mr. David Owen, for the first time this week in a joint session to discuss the matter of the Guatemalan claim and independence for Belize.

The meeting will take place today, Friday, June 2 in New York. Premier Price and two of his ministers, Mr. Assad Shoman and Mr. V.H. Courtenay, are representing the government at these talks while Mr. Dean Lindo, Mr. Charles Wagner and Mr. Ken Tillett are representing the opposition.

It is now felt that the Guatemalans have made a conciliatory proposal which the British feel Belize ought to consider. Dr. Owen himself seems to be leaning strongly in favour of independence talks, but within the context of a general settlement with Guatemala.

Mr. David Stevens, special adviser to the foreign secretary, left Belize two days ago after completing a fact-finding assignment here. He has flown to New York to report back to Dr. Owen of his findings in Belize.

Mr. Stevens spent a week in Belize travelling widely. In his own words, he was here to "feel the pulse" of the Belizean people on topics such as independence, land cession and the continued presence of British troops here.

Last Saturday he met with a small group of business leaders for a general discussion. Among those who attended this meeting were Sir Alexander Hunter, speaker of the house; Mr. Ismael Gomez, Mr. Johnny Searle, Mr. Gordon Roe, Mr. Herbert Mason, Mr. Santos Diaz, president of the chamber of commerce; Mr. V.H. Courtenay and Charles Woods, chairman of the Public Service Commission. A member of this group later told THE REPORTER: "We had a very useful and frank exchange of views."

Tuesday May 30 was the day set aside for Mr. Stevens to meet opposition groups and on that day he met representativesof the UDP. the civic committee, the women's action group and the youth popular front.

In reply to a question put to him by one of the delegates at this meeting, Mr. Stevens said he was not in a position to say how long the British would remain in Belize.

COSTA RICA

SECURITY INTENSIFIED IN PENAS BLANCAS BORDER REGION

PA071413Y San Jose Cadena de Emisoras Columbia in Spanish 1220 GMT 7 Jun 78 PA

[SERCANO Network]

[Text] A 25-member Civil Guard detachment has been sent to the border region to reinforce security in that area, Interior Minister Juan Jose Echeverria Brealey has announced. The detachment's garrison will be in La Cruz and it will be responsible for security in the border area close to Penas Blancas, La Cruz and nearby communities.

GUATEMALA

MOLINA SEES DANGER OF CUBAN INTERVENTION IN BELIZE

PA080000Y Paris AFP in Spanish 2222 GMT 7 Jun 78 PA

[Text] Guatemala City, 7 Jun (AFP)--Guatemalan Foreign Minister Adolfo Molina Orantes stated here today that there is a risk that Cuba may intervene militarily in the Belize issue. He said that Cuba has always agreed with Belize's desire for independence. He said that such intervention in Belize would not be unusual due to the number of guerrilla training camps which it has set up in several South American countries.

Molina Orantes noted that he does not rule out that possibility if it is taken into account that Cuba has deployed more than 45,000 soldiers in Southern Yemen, Angola and southern Africa. However, he said, this intervention might be very risky in view of the proximity of the United States.

PROTESTS OVER PANZOS KILLINGS CONTINUE

PA071807Y Buenos Aires LATIN in Spanish 2057 GMT 6 Jun 78 PA

[Text] Guatemala City, 6 Jun (LATIN)--Demonstrations to protest against the killing of peasants in Panzos on 29 May continued today, and a march has been announced for Thursday to reject the repression that resulted, according to official reports, in the death of 34 persons and injuries to over 100. The Autonomous Labor Federation of Guatemala today challenged President Kjell Eugenio Laugerud to analyze the causes of the tragedy in a public debate with the participation of his aides and representatives of the workers and peasants.

In the meantime, the University of San Carlos announced that its representatives will present a demand to the United Nations that the repression being waged against the peasants of Panzos be stopped.

The government had blamed leaders of the communist Poor People's Guerrilla Army for having incited the peasants to seize land and attack a military unit. It was reported in other quarters that the incident had been a result of the landowners' ousting of peasants from their lands.

Nun's Arrest Protested

PA080353Y Panama City ACAN in Spanish 2115 GMT 7 Jun 78 PA

[Excerpts] Guatemala City, 7 Jun (ACAN-EFE)--Hundreds of students staged a demonstration in the streets here today, Wednesday, protesting the arrest of Spanish nun Raymunda Alonso by the police, who charged her with instigating the peasants of Panzos who on 29 May clashed with the army resulting in 100 persons being killed. The students gathered in front of the Santa Teresa women's prison in downtown Guatemala City where they demanded the release of the Dominican nun.

The 39-year-old sister from Barcelona was arrested in the town of Cahabon, northern province [as received] of Alta Verapaz near Panzos, which at the end of May was the scene of bloody clashes between Indian peasants and army troops.

According to the police, the nun "was engaged in political activities aside from her religious work among the peasants in Panzos." It was added that she was arrested on orders from the immigration directorate.

Interviewed by ACAN-EFE, the nun said she does not know the reason for her arrest. "I am simple devoted to preaching the word of God," she said. The Spanish nun added that she does not think she broke any Guatemalan law. She has been working here for the past 8 years.

In statements to the news media, National Defense Minister Gen Otto Spiegeler has announced that religious missionaries will be banished from Guatemala if it is proved they are instigating the landless peasantry. He added that the government has proof of the participation of Spanish and American Catholic and Protestant missionaries in inciting peasants to invade private lands.

NICARAGUA

NEW STUDENT DEMONSTRATIONS IN CARAZO DEPARTMENT

PA071411Y Managua Radio Corporacion in Spanish 1220 GMT 7 Jun 78 PA

[SERCANO Network]

[Text] New student protest demonstrations were reported in Carazo Department, where several students were arrested and a girl was wounded. A demonstration was staged in Jinotepe to support Chinandega peasants who have demanded land from the government and have kept the chancery [curia] in Managua occupied for the past 6 days to exert pressure on the government. Police dispersed the demonstrators by using tear gas and firing into the air. There were also demonstrations in (?Dina) and Diriamba last night. In Jinotepe this morning, several residents reported that there were bullet holes in their houses which they claim were made by army soldiers.

STUDENT DEMONSTRATIONS SPREAD; SANDINIST SEEKS REFUGE

PA080412Y Paris AFP in Spanish 0334 GMT 8 Jun 78 PA

[Text] Managua, 7 Jun (AFP)--Student demonstrations spread today to Esteli, Jinotepe, Diriamba and Leon in the north, south and west of the country, it was reported here this afternoon. The students are demonstrating in support of a group of peasants who entered the fifth day of their hunger strike today to recover their lands in the region of Tonala, 160 km west from this capital.

In each of the aforementioned cities, the demonstrators set off homemade bombs. In Leon seven students were arrested, while in Jinotepe a group of government supports wounded a bystander.

In the meantime a member of the Sandinist Liberation Front, Reineri Robleto, sought asylum in the Venezuelan Embassy in this capital, thus becoming the sixth refugee in the embassy waiting to be transferred to Caracas.

PRESIDENT SOMOZA INTERVIEWED ON DOMESTIC SITUATION

PA080109Y Paris AFP in English 0040 GMT 8 Jun 78 PA

[By Yves Daude]

[Text] San Jose, Costa Rica, Jun 7 (AFP)--Nicaraguan President Anastasio Somoza, commenting on a possible visit to his country by the Human Rights Commission of the Organization of American States, said that "here in Nicaragua we have nothing to hide."

In an interview with AGENCE FRANCE PRESSE at air force headquarters near Managua, General Somoza said that "Nicaragua is absolutely not opposed to a visit by a delegation that has a special mandate. First we [words indistinct] know the wishes of the investigators. The commission will be abl to travel throughout Nicaragua, question people, and so forth."

He reiterated that the commission would have "complete freedom" to travel in Nicaragua.

Asked about strikes in his country, President Somoza said "the strikes are annoying, especially for the workers. The state can stand it, but I have seen some lockouts that last a few months, so the capitalists have lost money. That is the modern method of self-punishment."

He stressed that, except for government services, the right to strike was recognized for all, including students.

Asked about opposition strength among young people, Gen. Somoza said: "The opposition is strong, but do not control anything. The students take advantage of every opportunity to strike, and their studies suffer as a result. They indulge in politics. That is their right, but later in life they will regret the time lost. I have satisfied their request. Now a minimum of order and discipline is required."

He said the opposition was "headed by Marxists who are remote-controlled from outside the country," adding that the majority of opposition members appeared to be irresponsible.

Answering a question about the long rule of his family, in power for 45 years, the president said that "there is no dynasty and no monarchy." Somoza stated [word indistinct] "I am in power in accordance with the constitution. People very often forget this."

Referring to the army (National Guard), he said he had not requested French arms and that Nicaragua had only asked for helicopters for the Public Works Ministry.

President Somoza appeared completely recovered from his heart ailment. He told AFP: "I am in excellent physical condition, in spite of what is written by news agencies and newspapers, which say every week that Somoza is suffering from a heart condition. I have had at least 20, according to them. I have survived all the new dispatches, and will continue to do so until my term of office ends."

LIBERAL PARTY NOMINATES PRESIDENTIAL CANDIDATE

PA071957Y Paris AFP in Spanish 1705 GMT 7 Jun 78 PA

[Text] Managua, 7 Jun (AFP)--The first candidate for the 1981 Nicaraguan presidential elections, Orlando Montenegro, official party candidate and current mayor of Managua, was nominated today by Anastasio Somoza's Nationalist Liberal Party. Orlando Montenegro is a 54-year-old lawyer. The 1981 elections will provide the successor of the current President Anastasio Somoza, who, according to the consititution, cannot be reelected.

Meanwhile, the Democratic Liberation Union [UDEL] today announced the creation of a committee for the return of a group of 12 prominent personalities who are currently abroad. UDEL President Rafael Cordova stated that the group of 12, whose members will be arrrested if they return to the country, is fighting alongside UDEL for the liberation of Nicaragua.

CUBA ESTABLISHES DIPLOMATIC RELATIONS WITH LESOTHO

FL071358Y Havana Domestic Service in Spanish 1100 GMT 7 Jun 78 FL

[Text] The Government of the Republic of Cuba and the Government of the Kingdom of Lesotho have decided to establish diplomatic relations at the ambassadorial level. The decision is based on following the principles of the general struggle against colonialism, neocolonialism and imperialism.

No Comment on Lesotho Denial

PA071710Y Paris AFP in Spanish 1545 GMT 7 Jun 78 PA

[Text] Havana, 7 Jun (AFP)--The denial issued today in Lesotho regarding the establishment of relations with Cuba has not been commented on here. A spokesman for the Foreign Ministry of that African kingdom surrounded by South Africa characterized the announcement on relations made on Tuesday in the Cuban capital as "fantastic speculation."

The announcement was published by GRANMA, the daily of the Communist Party of Cuba, citing a dispatch from the National News Agency (AIN) datelined Havana.

It is believed that the dispatch came from an official source. The dispatch stated: "The Government of the Kingdom of Lesotho" and the Cuban Government have decided "to establish diplomatic relations at the ambassadorial level and to promote consular, cultural and commercial ties."

According to the announcement now denied in Lesotho, the two governments acted "in line with the principles of the general struggle against colonialism, neocolonialism and imperialism and the principles of the nonalined movement."

The report published by GRANMA did not mention the date when the two embassies are scheduled to open. The report also fails to note where and when the two governments held the talks that led to the establishment of relations.

Cuban Foreign Ministry sources consulted today declined to comment on the Lesotho denial.

OFFICIAL, MOZAMBIQUE MINISTER DISCUSS COOPERATION

FL072109Y Havana Domestic Service in Spanish 2104 GMT 7 Jun 78 FL

[Text] The delegation headed by Julio Carrilho, public works and housing minister of the People's Republic of Mozambique, has been received in Havana by Angel Gomez Trueba, first vice president of the State Committee for Economic Cooperation. Matters concerning cooperation between Cuba and Mozambique in the fields of construction, construction materials industry and fishing were discussed during the meeting.

FIDEL, DO NASCIMENTO VISIT CEMENT PLANT 6 JUNE

FL071138Y Havana Domestic Service in Spanish 1000 GMT 7 Jun 78 FL

[Text] Commander in Chief Fidel Castro and People's Republic of Angola Prime Minister Lopo do Nascimento yesterday visited the cement plant being built in Mariel. They were received by political and administrative officials of the groups taking part in the construction project.

Fidel was interested in the progress of the work and asked the Cuban technicians how long it would take to construct a cement plant in Angola that could process 300,000 tons per year. It was learned that it would take between 2 and 2 and 1/2 years with a working force of 800 men.

This is the second time Fidel has visited the new plant being built in Mariel. The workers ratified the pledge made to him 6 April to complete the first production line by September and to begin normal cement production flow in December.

Afterward, Fidel and Lopo do Nascimento returned to Havana. The Angolan prime minister was in our country for several hours en route to Luanda after having participated at the UN General Assembly meeting on disarmament.

COMMENTATOR SCORES CHINESE LEADERS' FOREIGN POLICY

FL080109Y Havana Domestic Television Service in Spanish 0000 GMT 8 Jun 78 FL

[Carlos Mora Herman commentary]

[Text] If we were to study carefully a number of apparently isolated events, we could put together a political puzzle that is quite revealing of the degree of deterioration in which the Chinese Maoist clique has fallen. Suffice it to take as parts of that puzzle information published by the international press and statements by prominent members of the Peking leadership. The French press, for example, reveals that China is accelerating purchases of arms in countries that are linked to the United States through bellicose treaties, especially NATO. This has been increasingly manifested ever since the recent visit to China by North American presidential adviser Zbigniew Brzezinski.

In Paris the Chinese have negotiated the adquisition of Mirage aircraft, helicopters and antitank missiles. In London they are negotiating the purchase of Harrier vertical takeoff jet aircraft. According to the London DAILY MAIL, large arm sales to China were discussed in Washington within the framework of the NATO council meeting held there. Hans-Dietrich Genscher, vice chancellor of the Federal Republic of Germany, recently declared that his country expects to develop general cooperation with China which will benefit both sides. This took place during the visit to the FRG by Chinese Vice Premier Ku Mu, who said that the governments of Peking and Bonn are united by many common points.

Early this month the Chinese called for strengthening NATO. The NEW CHINA NEWS AGENCY recalled that the need to modernize and develop the might of that military organization was raised at the Washington meeting, a measure which China considers indispensable to maintain the security of members in the face of what it describes as the Soviet threat in Europe and especially in Africa.

The North American CHRISTIAN SCIENCE MONITOR, in an analysis of Chinese foreign policy, asserts that China has initiated a path which some observers describe as a policy on the brink of conflict and as adventuresome and dangerous as the brinkmanship policy of North American Secretary of State John Foster Dulles was in its day.

The hand of Chinese leaders is behind the bloody acts of aggression by Kampuchea against the Socialist Republic of Vietnam. The unprincipled policy of the Chinese leaders has been developing for a long time. Suffice it to recall the Chinese collusion with Pinochet and the old alliance with Mobutu and the CIA and its puppets headed by Holden Roberto in the aggression against the Angolan people in 1975.

Today, China inmodestly proclaims its satisfaction with the presence of French and Belgian military forces in Zaire to crush the popular uprising in Shaba Province. The Chinese describe the corrupt Zairian dictator as a true friend. Chinese Foreign Minister Huang Hua visited the town of Kolwezi in Shaba Province just hours after the Zairian rebels were fighting European paratroopers and Mobutu troops. Huang Hua declared in Kolwezi that his government will provide military and economic assistance to the Zairian regime.

However, everything is not coming up roses for the Chinese leaders. Information published in the Western press reveals that there are problems in Chinese Army commands and that in recent days four senior officers were arrested and accused of planning a plot. The Japanese newspaper ASAHI SHIMBUN has reported that these four officers are accused of participating in an action to eliminate Chairman Hua Kuo-feng and several of his aides. These are just signs of the discontent that is growing because we cannot forget, as stated in the third part of the frontpage article published by GRANMA on 2 June, that the Chinese people undoubtedly are a great people and that in one way or another, sooner or later, they will sweep away the scum and overcome this profound ideological and political crisis.

MEXICAN POLITICAL DELEGATION MEETS WITH PINEIRO

FL071459Y Havana Domestic Service in Spanish 1409 GMT 7 Jun 78 FL

[Text] Manuel Pineiro, member of the PCC Central Committee and chief of its America Department, has received eng Herberto Castillo Martinez, president of the Mexican Workers Party, at a meeting that took place in a fraternal environment which was of mutual interest. Herberto Castillo, an outstanding Mexican politican and professional, arrived in Cuba accompanied by his wife, Prof Maria Teresa Juarez, on 29 May at the invitation of the PCC Central Committee.

During their stay in Cuba, the visitors met with political and mass organization leaders, were received at the National People's Government Assembly and visited the Construction Ministry. The president of the Mexican Workers Party toured Cienfuegos at the invitation of the party's provincial committee in that province.

RAUL CASTRO VISITS MILITARY ENTERPRISES

FL071248Y Havana Domestic Service in Spanish 1045 GMT 7 Jun 78 FL

[Text] Army Gen Raul Castro, second secretary of our party and minister of the Revolutionary Armed Forces--FAR--has visited the (Julius Fujic) and Transporte Centro military enterprises. The FAR minister congratulated the workers at these centers for successes achieved in assigned tasks and was interested in the progress of the plant extensions that are taking place.

At the (Julius Fujic) Works Army Gen Raul Castro made an extensive tour through the shops and the other installations, talked with workers and was interested in their work history, professional training and workinng conditions. He indicated what this enterprise's perspectives and future tasks should be and was extensively briefed on the center's economic activity and its application of the system of management and planning of the economy.

A workers community has been created alongside the enterprise made up 208 apartments, a child care center, a grocery store and other installations. Presently the workers are also constructing 48 new apartments, a primary semiboarding school and a secondary basic urban school. A commerical center, cafeteria and other social projects are projected.

The FAR minister stressed the need to speed up construction of the primary semiboarding school and directed that a plan for the community's development be drawn up.

At Transporte Centro Raul Castro was briefed on the new investments that are being made, which include 30 new projects that will increase the present production plan by 2.6 times. Construction managers and workers at this center have pledged to complete the plans in salute to the 20th anniversary of the triumph of the revolution.

The Transporte Centro enterprise is one of the outstanding FAR centers in its category. In 1977 it won the national interenterprise emulation. The FAR minister toured the installations and talked with workers.

Army Gen Raul Castro also visited other projects that are being built by the Villa Clara construction enterprise, at which the workers pledged to complete them by 5 December, day of the construction worker. On his tour at the FAR's Transporte Centro, Raul was accompanied by PCC Politburo member Arnaldo Milian. Also accompanying the FAR minister on his visits were Division Gen Senen Casas Regueiro, first deputy minister-chief of the general staff and member of the PCC Central Committee, and other FAR chiefs and officers.

ALMEIDA, VALDES PRESIDE OVER CONSTRUCTION MEETING

FL071643Y Havana Domestic Service in Spanish 1600 GMT 7 Jun 78 FL

[Text] Commander of the Revolution Juan Almeida Bosque and Ramiro Valdes, both Politburo members, have presided over a meeting in Santiago de Cuba which examined the progress of construction projects in the eastern provinces. Also participating were Secretariat member Raul Garcia Pelaez; Central Committee members Jose Ramon Balaguer, Alfonso Hodge and Faure Chomon, first secretaries of the PCC in Santiago, Guantanamo and Las Tunas respectively; and Transportation Minister Antonio Enrique Lusson. Others present included the ministers of construction and construction materials industry, Jose Lopez Moreno and Jose Valle Roque, and other leaders.

At the meeting representatives from each province presented detailed reports on the location of the construction sites projected for this year. Politburo members Juan Almeida and Ramiro Valdes stressed the importance and need for school buildings which are to begin operation with the next school term to be completed by 2 September.

PEREZ HERRERO CHAIRS 26 JULY ACTIVITIES MEETING

FL061228Y Havana Domestic Service in Spanish 1000 GMT 6 Jun 78 FL

[Text] Antonio Perez Herrero, member of the Central Committee Secretariat and president of the national event-organizing committee for the 25th anniversary of the assault on the Moncada barracks, with Joaquin Balaguer, party first secretary in Santiago de Cuba, has presided over the meeting of those responsible for the provincial subcommittees charged with carrying out the commemorative activities.

It was learned that the main event on 26 July will be held in what was the parade grounds of the old Moncada barracks, today the 26 July school center. The main event on that historic date will be attended by 17,000 persons representing the entire nation and 11th World Youth and Students Festival delegates and guests. The solemn event will be on 25 July, the eve of the day of national rebellion, in the Mariana Grajales amphitheater.

NATIONAL PEOPLE'S GOVERNMENT ASSEMBLY TO BEGIN 28 JUNE

FL071044Y Havana Domestic Service in Spanish 1000 GMT 7 Jun 78 FL

[Text] According to the provisions of the Constitution of the Republic, this year's first ordinary session of the National People's Government Assembly has been called for by its president, Blas Roca Calderio, to begin meeting on 28 June. The meeting notice states that the National People's Government Assembly will begin its sessions at 0900 at Karl Marx Theater [in Havana].

WORKERS TO DISCUSS DRAFT THESIS OF CTC CONGRESS

FL072324Y Havana Domestic Service in Spanish 2300 GMT 7 Jun 78 FL

[Text] Assemblies will be held from 1 to 15 July to discuss the draft thesis of the 14th Labor Congress and to elect candidates for nomination as delegates to the labor congress. Roberto Veiga, member of the PCC Central Committee and secretary general of the Central Organization of Cuban Workers [CTC], made the announcement at a press conference held at the international room of CTC headquarters. He also announced that workers, individually and in groups, will study the draft thesis from 20 to 30 June so that they can master its contents, participate in the debates at the general assemblies that will be convened for that purpose, and freely give their opinions and suggestions. More than 44,000 assemblies with the participation of approximately 2 million workers have been planned.

STATUS REPORT ON CURRENT SUGAR HARVEST

FL072350Y Havana Domestic Service in Spanish 2300 GMT 7 Jun 78 FL

[Mario Gonzalez Valdes report]

[Text] Last year's sugar harvest ended on 7 June. However, today, on the same date, it cannot be said that the current sugar production harvest has concluded because grinding of sugarcane is still going on in 9 provinces and more than 50 sugar mills are still operating. So far as industrial efficiency levels are concerned, during this harvest they have been superior to in the last one. An analysis of the absolute sugarcane yield as of 30 April this year showed that 85.54 percent had been achieved as compareed to 84.95 percent during the last harvest. In other words, there was a national growth in this indicator of 0.49 percent. [as heard] The best sugarcane yield in this harvest again was attained by Cienfuegos Province with an impressive 89.14 percent, followed by Santiago de Cuba with 87.53 and Guantanamo with 87.13.

The provinces with more sugar mills still in harvest operations are Villa Clara with 14, Holguin with 8, Granma with 7 and Pinar del Rio with the 4 on its territory. As of today, 54 of the 148 sugar mills in this country are still active. This is explained by the enormous delays of the sugar harvest during the months when the more intensive harvest work usually takes place. So far, five provinces--Cienfuegos, Guantanamo, Ciego de Avila, Granma and Santiago de Cuba--have completed their sugar production plans, while Cienfuegos, Matanzas, Guantanamo and Ciego de Avila have concluded the current harvest.

Granma Harvest Meeting

FL071113Y Havana Domestic Service in Spanish 1000 GMT 7 Jun 78 FL

[Text] In Granma Province Guillermo Garcia, PCC Politburo member and Council of State vice president, has presided over a meeting to study the results of the sugarcane harvest

and agriculture. The workers in Granma have pledged to salute the 25th anniversary of the Moncada barracks [attack] by producing an extra 8,000 metric tons of sugar. They also pledged to try to complete the spring sugarcane planting to then move on to planting winter sugarcane, taking advantage of the rainy period to make more sugarcane available for the next harvest.

STUDENT ORGANIZATIONS CONDEMN NEUTRON BOMB PRODUCTION

FL0700519Y Havana Domestic Service in Spanish 0032 GMT 7 Jun 78 FL

[Text] The Federation of University Students--FEU--and Federation of Intermediate-Level Students--FEEM--in the Province of Havana City, on behalf of their more than 58,000 members, have issued statements condemning production of the neutron bomb by the United States. The two statements concur in asserting that this Pentagon endeavor is part of the military and arms race escalation which imperialism is conducting in its race of human rights and territorial integrity violations.

With deep concern for world peace and security, we university students have followed closely the criminal steps taken by the Carter administration, which is engaged in threatening world peace, the FEU statement says. It emphasizes that university students are involved in numerous activities to reiterate these standards and it expresses support for the progressive proposals at the UN special session on disarmament.

PRD WARNS GOVERNMENT NOT TO HAMPER TRANSFER OF POWER

PA071203Y Buenos Aires LATIN in Spanish 2305 GMT 6 Jun 78 PA

[Text] Santo Domingo, 6 June--The Dominican Revolutionary Party [PRD] today warned the government that "under no circumstances" will it allow the victory it won at the polls on 16 May to be wrested from it.

In an extensive statement released today, the PRD commented on the various obstacles it faces in order to assume control on 16 August. Salvador Jorge Blanco, the president of the party, outlined the party's official position during a news conference. He appealed to President Joaquin Balaguer, who was the candidate of the Reformist Party [PR] for the fourth consecutive time, urging that the president, having recognized the PRD's victory, forestall possible obstacles to the transfer of power on 16 August.

Because of incidents which have taken place in the country since 16 May, the Central Electoral Board has been unable to officially announce election results. The PRD maintains that it won by over 150,000 votes and describes as invalid the PR's claim that 28 percent of the electorate abstained and that runoff elections should be held to allow those citizens to vote. The PRD notes that 44 percent of the electorate abstained in 1974.

The party claims that during the elections the PRD suffered from the excesses of the ruling party, which "attempted to distort" the results of the nationwide elections. These excesses included the "displacement of ballot boxes, the arrest and persecution of pollwatchers, members of the electoral boards and PRD delegates, and the fraudulent alteration of records, all of which led to the sudden suspension of the vote count early on the morning of 17 May and the takeover of the Central Electoral Board and those of the municipalities and the National District in an attempt to prevent the PRD from winning."

PRD candidate Antonio Guzman, a landowner, received over 800,000 votes, which gave him a margin of over 150,000 over his closest rival, President Joaquin Balaguer.

CENTRAL ELECTORAL BOARD SUSPENDS ITS PRESIDENT

PA062032Y Madrid EFE in Spanish 1210 GMT 6 Jun 78 PA

[Text] Santo Domingo, 5 Jun (EFE)--The Central Electoral Board today accepted an appeal filed against its president by the Reformist Party, defeated by the opposition in the presidential elections.

Following the decision the board voted to temporarily suspend its president, Manuel Joaquin Castillo. The board considered valid the accusation that Castillo "had stated opinions that had an effect on the result of the electoral process before it had concluded."

The government party contended that Castillo, believed to be a good friend of President Joaquin Balaguer, was biased when he stated, a day after the election, that the electoral process had been carried out with honesty.

The board decision was made amid rumors that the police are exerting pressure on electoral board employees, some of whom are under arrest and undergoing investigation for alleged fraudulent activities. There also are rumors that the Congress, in which the government has an absolute majority, was about to fire Castillo.

JAMAICA

BANK OF JAMAICA REASSURES BUSINESS COMMUNITY OF SOLVENCY

FL071405Y Kingston DAILY GLEANER in English 3 Jun 78 pp 1, 17 FL

[Excerpt] A reassurance has been given to the business community by the Bank of Jamaica through the commercial banks that foreign funds will be available for the payment of imports.

A statement was issued by the bank yesterday in response to the GLEANER news story of that day which said that the country was faced with a possible shutdown of business, because of the lack of such an assurance.

Announcing that this reassurance had been given, the bank said that in addition to the funds provided under the I.M.F. agreement, supplementary resources were being sought to deal with arrears of payment and "to make Jamaica up-to-date with current international transactions at the earliest possible date."

"These will provide some relief to the present exposure of the commercial banks and the return to more normal processing of letters of credit," it said.

VENEZUELAN LOANS TO NATION AMOUNT TO $70 MILLION

FL071335Y Kingston SUNDAY GLEANER in English 4 Jun 78 pp 1, 2 FL

[Excerpt] A package of assistance in which Venezuela will make available to Jamaica a $20 million loan for balance of payments purposes in addition to a $50 million long-term loan, and will consider favourably participating along with Jamaica in setting up a smelter for processing bauxite into alumina, has been outlined by Venezuelan President Carlos Andres Perez.

Speaking at a press conference which he gave at the Pegasus Hotel yesterday morning, President Perez said he came to Jamaica well aware that the country was in an economic crisis, and the Venezuelan Government was willing to help in whatever way it could.

He explained that $37 million of the $50 million long-term loan was already committed to a number of projects; and the remaining $13 million was to be utilized for projects worked out by the Jamaican Government.

Speaking of the $20 million loan for balance of payments purposes, President Perez said it was already deposited in the Bank of Jamaica. In addition, Jamaica had benefitted from the OPEC fund to the tune of approximately $8 million. Venezuela, he pointed out, was a contributor to that fund.

MINISTER PATTERSON MEETS WITH ZIMBABWE REPRESENTATIVE

FL071355Y Kingston DAILY GLEANER in English 5 Jun 78 p 7 FL

[Excerpt] The minister of foreign affairs, the Hon. P.J. Patterson, on Monday morning, May 29, met with a representative of the Patriotic Front of Zimbabwe (Rhodesia), Mr. Enos Chikowore, and held wide-ranging discussions on various aspects of the liberation struggle in that country.

BURNHAM GETS MORE PNC SUPPORT FOR CONSTITUTIONAL BILL

FL051710Y Port-of-Spain TRINIDAD GUARDIAN in English 30 May 78 p 10 FL

[Text] Georgetown, 29 May (CANA)--The General Council of the ruling People's National Congress (PNC) has wound up a two-day extraordinary meeting here with "total and unconditional backing" for party chief Prime Minister Forbes Burnham in the campaign to push a controversial constitutional bill through a referendum in July.

The General Council yesterday passed a resolution in which it pledged "full and unflinching loyalty" to Mr. Burnham, a statement said.

The vote of confidence in the leadership of Mr. Burnham, who has led the PNC since its formation 20 years ago, came as a growing number of progovernment organisations and individuals rallied to the support of the government.

Mr. Burnham is under heavy fire over the bill, which opponents claim is aimed at enabling the administration to prolong its life beyond the due date in the existing constitution.

The measure seeks to pave the way for a new constitution by transferring to parliament the right to amend the most entrenched provisions of the constitution, on a two-thirds affirmative vote.

Such an amendment can now be made only be referenda involving the Guyanese electorate.

All opposition political parties and groups, the council of churches, a majority of lawyers, doctors, architects, dentists, and at least three trade unions have opposed the bill.

Most of them are demanding that elections be held according to the provisions of the existing constitution--which states that polling should take place no later than October 26.

Mr. Burnham had said earlier that general elections would be held after a proposed constituent assembly completes drafting of a new constitution and parliament has given its approval.

The assembly's work is expected to take 18 months, which could mean that elections may be delayed until late next year or early 1980, but government has so far made no announcement to this effect.

BURNHAM HINTS AT CARICOM SUMMIT FAIRLY SOON

FL071005Y Georgetown GUYANA CHRONICLE in English 2 Jun 78 p 9 FL

[Excerpts] Prime Minister Forbes Burnham yesterday raised hopes that the current stalemate in high level discussions among CARICOM government leaders would soon end when he hinted that a meeting of CARICOM Council of Ministers may be held "fairly soon."

The prime minister dropped the hint when replying to a question as to whether the holding of a summit meeting had been discussed by heads of government who attended the funeral on Wednesday of St. Kitts-Nevis-Anguilla Premier Robert Bradshaw.

A spokesman for the CARICOM secretariat told the CHRONICLE that while no date has yet been fixed they were hoping that the meeting would come off "within the next five or six weeks."

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